هكذا من الاصل

MONDAY SPORTS
COLLEGE BASKETBALL
Page 15

INTERNATIONAL
Herald Tribune
Published With The New York Times and The Washington Post

No. 33,596 10/91 ** PARIS, MONDAY, MARCH 4, 1991 ESTABLISHED 1887

THE UNIVERSITY OF MICHIGAN SERIALS DIVISION

Andorra ... 6.50 F Iran ... 115 Rials Oman ... 1.000 Rials
Austria ... 25 S Israel ... NIS 4.00 Poland ... 15,000 Zl
Bahrain ... 0.800 Din Italy ... 2,200 Lire Portugal ... 180 Esc
Belgium ... 55 B.Fr Jordan ... 1 JD Qatar ... 8.00 Rials
Cyprus ... C£ 1.00 Kenya ... Shs. 45 Rep. of Ireland 90 P
Czechoslovakia 35 Kr Kuwait ... 500 Fils Saudi Arabia 8.00 R
Denmark 12.00 D.Kr. Lebanon ... U.S $1.10 Spain ... 175 Ptas
Egypt ... E.P 4.000 Libya ... L.Din. 0.60 Sweden ... 11.00 S.Kr
Finland ... 10.00 F.M. Luxembourg 55 L.Fr. Switzerland 2.80 S.Fr
France ... 8.50 F Madeira ... 185 Esc. Tunisia ... 1.000 Din
Germany ... 3.00 D.M Morocco ... 11.00 Dh Turkey ... T.L. 5,300
Great Britain ... £0.75 Netherlands ... 3.25 Fl U.A.E. ... 3.50 Dirh
Greece ... 200 Dr. Norway 12.00 N.Kr U.S. Mil. (Eur.) $1.00
Hungary ... 100 Ft. Nigeria ... 18.00 Naira Yugoslavia ... 2* NC

Civil Disturbances Reported to Spread In Southern Iraq

By Alan Cowell
New York Times Service

AMMAN — Iran and Syria reinforced reports by Western intelligence agencies Sunday that Iraqi civil commotion, and possibly anti-government unrest, had spread from the southern city of Basra to a string of other towns in southeastern Iraq.

In Basra, according to people arriving at the Iraq-Kuwait border, government forces were facing a Shiite Muslim uprising conducted by supporters of a Tehran-based cleric and longstanding opponent of President Saddam Hussein of Iraq, Mohamed Baker Hakim.

There was no immediate means in Amman of corroborating the reports from countries, particularly Syria, that have a long record of hostility toward Saddam Hussein, the Iraqi president.

Syrian radio, which quoted fugitive Iraqis as saying there was turmoil in Iraq's streets, has a long record of anti-Iraq propaganda. Iran fought an eight-year war with Iraq that ended in August 1988.

The official Iranian press agency, IRNA, quoted Iraqis fleeing into Iran as saying that there had been "severe clashes between the people and government forces" in four southern Iraqi provinces: Basra, Amarah, Nasiriyah and Kut.

It also spoke of "anti-regime demonstrations" in the towns of Al Amarah and Gharbi, more than 200 kilometers (120 miles) north of Basra, where reports of commotion began to emerge Friday from both the U.S. military in Saudi Arabia and travelers arriving in Kuwait from southern Iraq.

IRNA, quoting travelers from Iran, said, "In the past few days a group of Iraqis in the two cities held rallies in the main streets shouting anti-Saddam slogans and protesting his wrong policies during the Persian Gulf war."

It said the demonstrations "ended peacefully without any interference by the police," suggesting that Iraq's security agencies had changed sides. The agency said graffiti criticizing Mr. Hussein, unheard of before the war, had been seen in Al Amarah and Gharbi.

The towns reportedly affected, close to the Iran-Iraq border, are largely populated by Shiite Muslims, who form more than half of Iraq's population of 17 million population. Mr. Hussein and his ruling elite hail from a Sunni Muslim minority from an area northwest of Baghdad. The rest of Iraq's population is Kurdish.

The towns are also those where fleeing Iraqi troops have overloaded civil amenities. Western satellite monitoring has detected mobs in the streets of several towns and at least one building ablaze, according to Arab diplomats familiar with the accounts.

The diplomats said that Iran, which has criticized Mr. Hussein's handling of the Gulf crisis, might perceive an interest in promoting unrest in Iraq, seeing an opportunity to foment religious protest along the lines of its own, Shiite Muslim, revolution.

A Reuters report Sunday from the Iraq-Kuwait border quoted a group of Sri Lankan fugitives from Basra as saying that protesters had launched an uprising, freeing 5,000 prisoners and battling troops to loyal to Mr. Hussein.

Later, a small group told reporters at the border that they had been fighting government forces for 35 hours in the name of Islamic revolt.

Throughout the Gulf war, Mr. Hussein sought to marshal Islamic sentiment, casting allied forces as infidels who had desecrated holy shrines and depicting his fight as one on behalf of Islam.

Even Sunday, Baghdad radio maintained its tirades against the United States and urged Saudis to "rise, revolt and cleanse the land of the filth of the corruptive invaders and from the corruption of the betrayer of the two holy mosques" — a reference to King Fahd.

Baghdad radio has not alluded to the Iranian and Syrian reports of unrest, instead maintaining its familiar adulation of Mr. Hussein. "The Iraqi people will continue the struggle against the enemies for the glory of the Arab nation under the banner of leader Saddam Hussein," it said, quoting an editorial in the Defense Ministry newspaper, Al Qaddisiyah.

Arab diplomats said Western accounts of events in Iraq suggested various likely developments. One was that the defeated Iraqi Army had spilled into some areas, creating commotion on the streets.

Before the war, demonstrations were permitted in Iraq only when the regime ordered them. So, the diplomats said, the appearance of crowds in recent days could well reflect unauthorized protests ignited by soldiers' accounts of casualties and long exposure to allied bombing.

Additionally, the diplomats said, Iran might be trying to foment unrest. Before the war ended, most diplomats said Mr. Hussein's pervasive security services maintained tight control. It was not clear if that was now breaking down.

Aftermath

House-to-house searches were under way in Kuwait City. Page 3.
The war's cost, for the U.S., was on the cheap side. Page 7.
Dan Quayle's spot is "lock solid" with the Republicans in '92. Page 5.

Baghdad Accedes to Truce Demands, 10 POWs Believed Freed, Iraq Says

The Associated Press
General H. Norman Schwarzkopf, left, the coalition commander, facing Iraqi military officers at the start of cease-fire talks at a captured air base in Iraq on Sunday.

By Steve Coll
Washington Post Service

SAFWAN, Iraq — Iraq's military leadership has accepted all allied demands for a permanent cease-fire in the Gulf war and may soon release some prisoners of war as a gesture of good faith, General H. Norman Schwarzkopf announced Sunday after a meeting with Iraqi generals.

"I am very happy to tell you that we agreed on all matters," said General Schwarzkopf, the allied commander in the Gulf. "I think we have made a major step forward in the cause of peace."

[The chief Iraqi delegate to the United Nations, Abdul Amir Anbari, said Sunday that he thought 10 allied prisoners of war, including an American woman, had already been released as a gesture of goodwill, Reuters reported from New York. Specialist Melissa Rathbun-Nealy, 20, of Grand Rapids, Michigan, is the only known female prisoner of war.]

It was not clear when a formal cease-fire agreement would be signed, but General Schwarzkopf and other generals from the U.S.-led coalition who attended the meeting in Safwan indicated that arrangements could be completed within days.

When that happens, General Schwarzkopf said, U.S. and allied forces would withdraw from occupied Iraqi territory and prisoner-of-war exchanges would begin under the supervision of the International Red Cross.

[Baghdad radio announced Sunday that Iraq had accepted a new UN Security Council resolution laying down the framework for a permanent cease-fire, The Associated Press reported.

[The radio, monitored in Nicosia, quoted a letter sent by Foreign Minister Tariq Aziz to the United Nations saying that Baghdad had accepted Security Council Resolution 686, which was adopted Saturday night.

["We hope that the UN Security Council will deal with our meeting of these obligations, which we will do sincerely and as soon as possible, objectively and honorably and in keeping with the provisions of international law and the rules of justice and fair play," the letter said.]

According to the senior allied officers, the talks on Sunday, in a tent at a captured Iraqi airfield in Safwan, marked the beginning of a formal end to the Gulf war, which erupted with a barrage of allied air strikes on Jan. 17.

The Iraqi delegation arrived by road at an allied checkpoint several miles from the airfield and was escorted to Safwan by U.S. tanks and armored personnel carriers. The delegation was led by two lieutenant generals, Sultan Hashim Ahmad and Salah Abud Mahmud.

The Iraqi commanders offered no comment after their discussions with General Schwarzkopf and Lieutenant General Khaled ibn Sultan of Saudi Arabia, except to say that there would be peace in the region "if it is God's will."

In nearly two hours of talks, which were observed by generals from Britain, France, Kuwait, Egypt, Syria and other coalition partners, the two sides reached agreement on procedures to avoid accidental engagements between allied and Iraqi forces, disclosure of the location of Iraqi-laid minefields in Kuwait and the Gulf, and exchange of information about soldiers missing in action, according to allied officers.

Iraq apparently disclosed specific information at the meeting about the number of allied prisoners of war who have died in captivity, but General Schwarzkopf and other officers refused to reveal exactly what the Iraqis said.

Discussions also reportedly centered on detailed plans for a withdrawal of allied forces from Iraqi territory once a formal cease-fire is signed, including the establishment of "security zones" to prevent any future massing of Iraqi forces on Iraq's borders with Kuwait and Saudi Arabia, military officers said.

General Khaled, commander of joint forces in the Kuwaiti theater

See TRUCE, Page 3

Desert Storm Brings Winds of Change to Mideast

By Jim Hoagland
Washington Post Service

RIYADH — When Secretary of State James A. Baker 3d arrives here this week in pursuit of a "new world order," the Saudi royal family will tell him that an Iraqi military coup against Saddam Hussein, a new push on Arab-Israeli peace that the Saudis will help lead and stability in oil markets are the urgent priorities of that new order.

The Saudis will also want to explore with Mr. Baker the collapse of the Soviet Union as a global power, barely able to influence events near its own borders. And they will tell him how to squeeze Yasser Arafat out as leader of the Palestinians.

The "new era" in global politics that began with the fall of the Berlin Wall lasted only 16 months. The "new world order" that is supposed to emerge from superpower cooperation will be fashioned instead in conditions dominated by U.S. military power and political will, objects of doubt at home and abroad only a few years ago.

In the neo-new era, the shattering blow Operation Desert Storm dealt Iraq will reshape energy markets, the Arab-Israeli confrontation, arms sales to the Third World and the momentous struggle for power being waged in the Soviet Union.

Desert Storm establishes with clarity the strength and scope of American muscle in the post-Cold War era. But, as Mr. Baker will find, America's ability to manage the aftermath of this brief, bold war as effectively as U.S. soldiers waged it is already being tested in the Middle East, ground zero of the "new world order."

NEWS ANALYSIS

According to a senior Saudi prince, the Saudis will tell Mr. Baker that economic sanctions, a coalition military presence in Iraq and the threat of wide-ranging war-crimes trials must be maintained until Mr. Hussein falls. The Saudi idea will be cloaked in a call for the full carrying out of the 12 United Nations resolutions on Iraq's occupation of Kuwait. But the goal of deposing Mr. Hussein by coalition action will be clear to everyone.

In contrast to their traditional reluctance to allow foreign presences here, the Saudis will press Mr. Baker to leave U.S. troops in the battle zone as long as Mr. Hussein survives. Riyadh thinks Mr. Hussein's overthrow by his disgraced army commanders is within reach. "Saddam Hussein now is a blind man searching in the dark for a black cat that is not there," says Hassan Yassin, a Saudi businessman close to the government.

The British commander, Lieutenant General Sir Peter de la Billière, said that elements of his 45,000-man force would be here for up to a year, while an authoritative Western diplomatic source says that a U.S. withdrawal will take 18 months to complete. On the economic front, Saudi officials say they will keep the Iraqi pipeline that crosses their territory closed to Iraqi oil as long as Mr. Hussein is in power.

The assertiveness of the Saudis, the one indispensable ally for the United States in waging war on Iraq, is only one of the changes the lightning success of the war to liberate Kuwait has brought.

It also brought another crushing defeat for the Soviet Union, the latest in the string of humiliations of Soviet military equipment, training and advice that began in 1967. Like a giant eraser moving across a blackboard, Desert Storm wiped out Soviet influence in the Arab world, a region in which Moscow has made a huge investment for 30 years.

Despite the Soviet investment, the only three important military powers in the region — Israel, Egypt and Turkey — are U.S. partners. Ditto the dominant economic power, Saudi Arabia. Syria, the last important Soviet Arab client, used Desert Storm to re-establish strained ties with the conservative Arabs and the United States.

The Soviet failure to protect Iraq diplomatically or militarily is the equivalent in

See ORDER, Page 5

Baker Links War Debt to Hussein Ouster

By Clifford Krauss
New York Times Service

WASHINGTON — Secretary of State James A. Baker 3d hinted Sunday that Iraq might be accorded a lighter reparations bill for rebuilding Kuwait if President Saddam Hussein were to be overthrown.

"The degree to which the coalition and other countries would actively prosecute their claims I think might be affected to some degree by whether or not that regime is still in power," Mr. Baker said on an NBC television program.

Mr. Baker said that talks during his tour of the Middle East, which begins Wednesday, would deal with creating new regional security arrangements, arms control and economic cooperation. Cautioning that "we can't impose peace," he said he would not carry a specific Arab-Israeli peace plan with him.

He said that a U.S. peace plan "would be shot up like a Scud missile with a couple of Patriots."

He said the United States could only serve as a "catalyst" to bring Israelis and Arabs together.

"We have got to find a way for Arab states and Israel to make peace," he said, "and we have got to find a way for Israel and Palestinians to begin a dialogue."

Such remarks should come as a relief to Israelis who fear U.S. attempts at imposing a blueprint for peace. They also appeared to confirm that Mr. Baker continues to hold the view that he did before the war: that Israel, the Arab countries and the Palestinians ultimately will have to forge their own peace agreements.

Despite the fact that Jordan, which is not on his tour itinerary, backed Iraq and reportedly gave it weapons, Mr. Baker had soothing things to say about King Hussein.

"We do not want to see him destabilized," Mr. Baker said. "We want to see him continue in power. And it may very well be that, as we move forward here, Jordan and King Hussein himself personally may become a very important player in this."

U.S. Enlisted Syrian Aid to Neutralize Terrorists

By Jim McGee
Washington Post Service

WASHINGTON — The threat of major terrorist attacks against allied interests during the Gulf war with Iraq was effectively neutralized with the help of countries like Syria, long believed in the West to be among the principal Middle Eastern sponsors of terrorism, senior U.S. intelligence officials said.

Syria "shackled those elements of the terrorist organizations that are under their control, at least vis-à-vis the coalition members," said the Federal Bureau of Investigation associate deputy director, Oliver B. Revell. The Syrian efforts were made as Damascus became part of the allied coalition and followed direct expressions of concern from the United States and the governments of Saudi Arabia and Kuwait.

U.S. intelligence also detected indications that Iran instructed terrorist groups under its influence to ignore the call by President Saddam Hussein of Iraq for a "holy war" against the West, according to a U.S. official.

In the murky world of counter-terrorism, success is judged by what does not happen. Although they consider the threat still very much alive despite apparently the end of hostilities, administration officials and intelligence officers working to counter Mr. Hussein's attempts to use terrorism as a weapon said there was general recognition that the most immediate terrorist threats were effectively thwarted by a multilayered strategy carried out by members of the allied coalition.

"It's no one thing," an American official said. "It's the totality of all these things."

Among the actions taken, a far-flung network of Iraqi intelligence agents operating out of embassies or private businesses was countered with the help of nearly 30 nations, who expelled, arrested or put under surveillance scores of Iraqi diplomats, businessmen and students.

In some cases, these actions followed "some very hard-nosed" briefings in which senior U.S. officials outlined to foreign ministers the extent of Iraqi networks operating in their countries and issued stern warnings that Washington expected those nations to act on the intelligence information provided by the United States.

Some nations went so far as to cooperate with U.S. teams in joint

See TERROR, Page 5

Bob Peterson/Agence France-Presse
A French mine-removal crew digging around Iraqi mines on a public beach in Kuwait City on Sunday.

Kiosk

25 Die in Plane Crash in Colorado

COLORADO SPRINGS (Reuters) — All 20 passengers and five crew members were killed on Sunday when a United Airlines Boeing 737 airliner crashed into a dried lake as it approached the airport here.

United Flight 585 originated in Peoria, Illinois, and had made a stop in Denver, 70 miles (110 kilometers) north of Colorado Springs.

Although the cause of the crash had not been determined, the police said high winds could have been a factor.

General News

Yugoslavia sent in army to patrol a Croatian city. Page 2.
Votes on independence in Latvia and Estonia were expected to add to resolve. Page 2.

Business/Finance

Bonn favors using the free market to aid the east. Page 7.
Crossword Page 10.
Weather Page 2.

Road to the Gulf: Timetable for War Was Fixed in October

By Thomas L. Friedman and Patrick E. Tyler
New York Times Service

First of two articles

WASHINGTON — The Bush administration began planning early last fall for an offensive campaign to dislodge Iraqi forces from Kuwait, at a time when U.S. officials were insisting in public that the only mission of U.S. forces was to defend Saudi Arabia and enforce United Nations sanctions.

According to a reconstruction of major internal deliberations and decisions by President George Bush and his senior advisers during the seven-month Gulf crisis, offensive military planning began in earnest in September, and on Oct. 30, a week before congressional elections, Mr. Bush secretly approved a timetable for launching an air war against Iraq in mid-January and a large-scale ground offensive in February that would strike deep into Iraqi territory to encircle President Saddam Hussein's army.

This war-planning process went forward in conjunction with U.S. diplomatic and economic pressure on Iraq to leave Kuwait, and senior officials indicated that Mr. Bush all along hoped — at times even believed — that sanctions coupled with the threat of war would be enough to dislodge the Iraqis.

The planning steps that the president approved in October were those carried out when the air war began on Jan. 17.

The only element of the plan made public was the announcement by Mr. Bush on Nov. 8, two days after the election, that he had ordered a major reinforcement of U.S. forces in the Gulf to give them an offensive capability.

That critical decision increased U.S. troops from 230,000 to more than 500,000 and gave the allies the strength for the decisive flanking action carried out last month in the Iraqi desert.

Another plan submitted to the Pentagon early in October by General H. Norman Schwarzkopf, commander of U.S. forces in the Gulf, had been rejected because it envisaged a ground offensive directly into the heart of Iraqi forces and fortifications in Kuwait.

In addition to the timetable for offensive military action, the administration's reconstruction of events shows that while the Gulf crisis ended on the high note of military victory, officials earlier had been short of insight into President Hussein's intentions and without military options to stop his invasion of Kuwait last summer.

It also shows that, despite the administration's carefully maintained appearance of unanimity on major decisions, there were debates at the White House and the Pentagon on how to respond to the Iraqi aggression.

A briefly contentious point was whether and how to keep Israel from striking back in response to Iraqi Scud missile attacks.

At one stage, Mr. Bush's advisers seriously debated approving Israeli action to launch their Jericho missiles on Iraqi territory.

When this was overruled, the White House arranged for the Israelis to receive intelligence information on U.S. military progress against the Scuds.

The reconstruction also provides an insight into a central mystery of the Gulf crisis — why Mr. Hussein ignored all warnings that his army would be destroyed

See GULF, Page 5

PEOPLE
Tearful Brando Fails To Save Son From Jail
Marlon Brando ... Christian ... Dag Drollet ... Kirk Douglas ... Philip Roth ...
TO OUR ADVERTISERS IN SPAIN
page 23 FOR MORE CLASSIFIEDS
NANNIES
NANNIES INCORPORATED
TOWN & COUNTRY INTERNATIONAL
Classified Ad Quickly and Easily in the INTERNATIONAL HERALD TRIBUNE
NORTH AMERICA

Arab Unity May Go Down With Saddam Hussein

As U.S. diplomacy started the quest for a postwar settlement, Richard W. Murphy, a former assistant secretary of state for Near Eastern and South Asian affairs and now at the Council on Foreign Relations, spoke to Joseph Fitchett of the International Herald Tribune about the war's political legacy.

Q. Where was the war's main impact for future planning about the Middle East?

A. It marked an extraordinary break with past proclamations of Arab unity. The Arab world has split in a way that suggests that Arab unity may not be automatically accepted anymore as a touchstone. It may well be that Saddam Hussein will turn out to be the last leader to advance the old claim that Arab unity is the key to Arabs' problems. A year ago he was lecturing other Arab leaders that it was the only salvation to avoid being jerked around by the Americans or by Zionism or whatever other reason. Six months later Saddam abandoned any pretense to Arab unity when he attacked Kuwait, and in the last days of combat talk of Arabism from Baghdad faded away in favor of appeals to Iraqi nationalism.

•

Q. Will the humiliation of Saddam breed Arab resentment?

A. We can avoid an all-Arab reaction. Exposing Saddam's stupidity is meant to crack the thought-control he exerted for so long over his own people and some others. When the facts seep in, people will not want to identify with a failure. I don't believe that the Arabs are all that special in their reactions. We must not be misled by some Orientalists into thinking Arabs are so romantic they have no grasp on reality.

•

Q. Has the war created conditions for a fresh start?

A. People throughout the region seem to have begun to identify with their own countries after a half-century in which boundaries were scorned as artificial. Syrians are saying they are different from Iraqis, Saudis saying they are different from Jordanians. There are signs of extraordinary new assertiveness by Saudi Arabia and the rest of the emirates about working openly with the United States.

The Saudis are drawing lessons about their preference for discreet checkbook politics. They quietly gave money in Algeria both to the government and the Islamic opposition movements and also in Tunisia, but neither these governments nor the fundamentalist groups took the Saudis' side. So the Saudis may shed their former shyness about any publicity, bad or good, and get themselves recognized as the leading force in assistance to the Arab world.

•

Q. How could Riyadh do it?

A. An idea under discussion is an Arab fund, with capital from the oil-exporting Gulf states, to help countries that stood with Kuwait and Saudi Arabia. The assistance might be conditional on restructuring the beneficiaries' economics, including more privatization. This may not be easy; think of Egypt and Syria, two leading coalition partners. But the wealthier governments want to see economic development instead of remaining Daddy Warbucks. This assistance would also, hopefully, produce results that were visible to the population, not just governments.

•

Q. What is the main political challenge now?

A. The Arab governments will be pushing the United States to help them show that being on the winning side enables us together to accomplish more for the Palestinians and advance progress on the Arab-Israeli dispute. The pattern of Middle East wars shows a postwar openness to new approaches. But the window has always slammed quickly. We need to start fast, even if negotiations continue for a long time before results materialize. I'm encouraged by the speed of U.S. reactions in starting to probe. I say, for God's sake, aim high and aim quickly.

•

Q. What changes do you expect in Iraq?

A. The armed forces and the Ba'ath party seem the only source of a new government at this point, so it is likely to be a pale "son of Saddam" — without Saddam's power. Iraq is one of those countries — and there are many such around the world. Romania being a non-Arab example — that allegedly need a strong hand to keep it together. I worry about the risk that Iraq could break up because that could lead to splintering elsewhere in a region where so many borders are fragile.

•

Q. Will postwar Kuwait resemble prewar Kuwait?

A. Change is going to be easier there than in other countries in the peninsula. Martial law will be challenged by the fellows that stayed behind in the resistance and the people who always wanted a parliament — other establishment families that resent an over-concentration of power in the hands of the Sabah family.

•

Q. Did Moscow play a double game?

A. The Soviets gave us very useful support in the Security Council, so I don't see it as sinister that they are also interested in advancing Soviet interests in the postwar situation. We are going to need the Soviets for postwar discussions on regional arms control, a subject that has come center stage in a way that has amazed me as the war displayed the accumulation of armaments there. President Bush has kept his eye on the ball in seeing that U.S.-Soviet rivalry in the region would defeat the chances for arms control there.

MONDAY Q&A

Yugoslav Army Sent Into Croatia

Compiled by Our Staff From Dispatches

PAKRAC, Yugoslavia — Army tanks patrolled the town of Pakrac on Sunday after the federal government ordered army troops into the Croatian city to stop clashes between Serbs and Croats.

The weekend violence between Serbs and Croats, the country's two biggest ethnic groups and traditional rivals, was the most serious for several months.

The use of federal troops in Croatia marks the first time that the army, whose officer corps is dominated by Serbs, had been used in Croatia presumably to protect the Serbian minority there.

The Yugoslav presidency sent in the troops on Saturday after Serbs in Pakrac exchanged fire with special Croatian police who had ordered them to hand in their weapons.

But the presidency said after an emergency session on Sunday that the army and the special Croatian police must withdraw from the town by midnight.

Croatia's Interior Ministry said three policemen were injured in the clashes, but doctors at Pakrac hospital said they knew of no deaths or injuries.

Radio Belgrade reported Saturday that six Serbs had been killed. The Belgrade daily Vecernje Novosti said 11 had died.

Armored vehicles with machine guns were placed at key posts in Pakrac, a town of about 10,000 Serbs and Croats about 100 kilometers (60 miles) from Zagreb and 290 kilometers east of Belgrade. The streets were almost deserted.

The special police, who had held the town in the morning and had searched cars and civilians, withdrew by noon into a northern area containing the police station, post office and town hall.

The Yugoslav presidency said: "It is necessary that the forces engaged from outside withdraw, the policemen from the local police station return to work and the reserve police unit be demobilized immediately or in 24 hours." It was referring to the special police force.

Special Croatian policemen stormed into Pakrac after Serbs defied an order to hand in weapons and instead disarmed local police.

On Thursday, the Serbian minority in Croatia declared the southern region of Krajina independent of Croatia. Serbs in Pakrac responded by declaring their town independent. Croatian authorities did not recognize the moves.

Serbs make up 12 percent of Croatia's 4.5 million inhabitants.

Journalists in Pakrac reported at least one hour of gunfire between Serbs and the special police before the army arrived to calm the situation.

Croatia and Slovenia have taken steps to secede from the Yugoslav federation unless it is transformed into a loose alliance of sovereign states.

Serbia favors central rule and says that if Yugoslavia falls apart it will demand a revision of borders to incorporate Serbian minorities in other republics.

Relations between Serbia and Croatia worsened when Serbia retained its Communist leaders in free elections last year while Croatia elected a center-right government that has stressed Croatian national issues.

The Croatian prime minister, Josip Manolic, accused the Yugoslav president, Borisav Jovic, a Serb, of allowing the situation to deteriorate in Pakrac and other Croatian districts with predominant Serbian populations.

(Reuters, NYT, LAT, AFP)

Emil Vas/Reuters

About 20,000 people rallying Sunday in Belgrade to express their support for the Serbs in Croatia.

Leaving Europe to Europeans

Cut U.S. NATO Forces by Two-Thirds, a Panel Suggests

By Michael Wines
New York Times Service

WASHINGTON — A panel of 26 experts on Atlantic security, including influential members of congressional committees on military and foreign affairs, have recommended that the United States cut its NATO forces by two-thirds in an effort to shift to the Europeans the job of defending Europe.

In a report on the North Atlantic Treaty Organization, the experts said the demise of communism in Eastern Europe effectively ended the need for a big American commitment of troops and equipment to protect the Continent from the Soviet Union.

But they said some U.S. military presence in Europe was still desirable, largely not for defense purposes but as a political "balancer and guarantor" in a rapidly changing Europe.

The armed services committees of the House and Senate are likely to consider changes in U.S. force levels in NATO this summer. Many Democrats had called for reducing the authorized troop strength from about 300,000, before the Gulf crisis erupted, to well below 100,000.

The Bush administration has publicly supported a large American presence in Europe, but most analysts say they believe the White House will agree eventually to accept a sizable cut in forces spread over several years.

In its report, the panel, which was sponsored by the Foreign Policy Institute of Johns Hopkins University, stated that NATO should remain the focus of U.S. military involvement in Europe. But it advocated limiting U.S. ground combat forces to a small number of troops, and placing them in multinational units instead of the large, wholly American units now deployed. Most American forces would be committed to logistics, air wings and nuclear forces, they said.

The group opposed basic changes in NATO's mission or size. It specifically rejected proposals that the military alliance expand to include new democracies in Eastern Europe, saying such a move would destabilize the Continent by posing the potential of a military and political threat to the Soviets.

Instead the experts said they favored a gradual shift in responsibility for NATO from Washington to Europe, and a gradual streamlining and integration of the European and American defense forces as tensions in the region ease.

Eventually, they said, the U.S. military should abandon the top post in NATO — that of supreme allied commander, which U.S. officers have occupied for all of the organization's 42 years — and leave military control of the alliance to a European chief.

Rather than actual preparation for combat, the panel said, "the alliance's role during the next 10 years will consist largely of political and planning functions, hedging against the re-emergence of military threats in the future."

It continued, "There is no reason why a European could not command the alliance's force in this context."

The panel is composed largely of current and former government experts on Europe and the military. It includes the Democratic chairman of the Senate Armed Services Committee, Sam Nunn of Georgia; a senior Republican on that panel, William S. Cohen of Maine, and a Democrat on the Senate Intelligence Committee who has specialized in Soviet defense matters, Bill Bradley of New Jersey.

Two leading House Democrats also serve with the group. They are Dave McCurdy of Oklahoma, a member of the House Armed Services Committee and chairman of the Intelligence Committee, and Lee H. Hamilton of Indiana, a former intelligence chairman who is the second-ranking Democrat on the Foreign Affairs Committee.

Cheapest Heart Drug Is Best

Study Finds More Expensive Alternatives Are Less Safe

By Susan Okie
Washington Post Service

WASHINGTON — An international study comparing three drugs used to treat heart attack victims has found that all three reduce the death rate equally dramatically but that the oldest and cheapest, streptokinase, is safer than the newer, more expensive alternatives, researchers have announced.

All three drugs dissolve the blood clot that causes the heart attack, limiting damage to the organ.

The study, the Third International Study of Infarct Survival (ISIS-3), is said to be the largest comparative drug trial ever carried out and involved 46,000 patients from more than 1,000 hospitals in 20 countries. A team of Oxford University researchers who led the study announced the results at the American College of Cardiology meeting in Atlanta.

Heart disease experts said they hoped the findings would help clear up confusion among doctors that has so far prevented the drugs, the 30-year-old drug streptokinase and the relatively new tPA and APSAC, from being widely used in the United States, although several studies have shown that they save lives.

About 1.5 million Americans suffer heart attacks each year. Between 400,000 and 600,000 of them are considered candidates for treatment with a clot-dissolving drug, but only about 20 percent currently receive the treatment, according to Charles Hennekens, a professor of medicine at Harvard Medical School and the U.S. coordinator of the study. Studies have shown that promptly treating heart attack patients with a combination of aspirin and a clot-dissolving drug reduces their risk of dying by almost half.

The latest findings are a surprising development in the competition among the makers of clot-dissolving drugs, which are battling for a worldwide market estimated at more than $600 million a year.

They show that streptokinase, which has been on the U.S. market since 1977 and costs about $150 for a standard treatment, not only is as effective as the newer drugs that each cost more than 10 times as much, but also poses a lower risk of strokes caused by brain hemorrhages, the major potential side effect of the treatment.

"There are really no differences in mortality among the agents," said Professor Hennekens. "But with regard to very serious side effects, streptokinase offers a significant advantage."

Besides comparing the clot-dissolving products, the study also compared two drugs that prevent the development of new clots — aspirin alone and aspirin plus a low dose of heparin. Both drugs are anti-coagulants that inhibit the action of platelets, blood cells involved in clot formation.

Of the 46,000 patients who entered the study, 42,000 were randomly assigned to receive one of three clot-dissolving drugs: streptokinase, anistreplase or tPA. About 14,000 patients received each drug. The remaining 4,000 patients, because of age or medical factors, were not considered definite candidates for clot-dissolving drugs.

All patients in the study also received half a regular-strength aspirin daily, which has been shown to lower the death rate following heart attacks by preventing the formation of new clots. Half of the patients in each of the three groups also received low-dose injections of heparin every 12 hours to see whether that treatment provides any additional benefit for heart attack patients already receiving aspirin and clot-dissolving therapy.

The overall death rate from heart attack among patients in the study was 10 percent, with no significant difference among the three clot-dissolving drugs. But patients in the streptokinase group had the lowest frequency of brain hemorrhages. The frequency of brain hemorrhages in the streptokinase group was 3 per 1,000, 5 per 1,000 in the APSAC group and 7 per 1,000 in the tPA group.

Patients who received the aspirin-plus-heparin combination had a slightly lower death rate (5 fewer deaths per 1,000 patients) than those who received aspirin only. But a higher proportion of patients on the combination therapy suffered brain hemorrhages — 6 per 1,000, compared with 4 per 1,000 of the patients on aspirin alone.

Baltic Votes Expected To Add to Resolve

By Francis X. Clines
New York Times Service

RIGA, Latvia — The Baltic republics heightened their sovereignty challenge to President Mikhail S. Gorbachev on Sunday as voters in Latvia and Estonia held independence plebiscites that nationalist leaders said would supply fresh resolve for resisting Moscow.

The ballots, similar to one last month in which Lithuanians voted overwhelmingly in favor of independence, drew large numbers of voters in both republics, many of them talking of another fateful step in the Baltics' yearlong attempt to reverse the forced Soviet annexation of the republics in 1940.

"We are moved to tears this day," said Emily Grefcova, a gray-haired woman, as she emerged from the ballot booth. She had fresh-sounding memories of the days of initial Soviet occupation, when hundreds of thousands of Baltic citizens were deported on Stalin's order to misery and death in Siberia as Russian occupation communities began moving in.

For many, the sheer act of voting represented defiance of Mr. Gorbachev's demand that the Baltics hew to the rules laid down by the Kremlin. Nationalist leaders say that the spirit of resistance grew among voters with Moscow's endorsement of the army raid that killed 16 Lithuanian independence demonstrators in Vilnius on Jan. 13.

With the approach of March 17, the date of Mr. Gorbachev's national referendum on maintaining the union, further defiance is looming.

The three Baltic states as well as Armenia, Georgia and Moldavia have announced nonparticipation, and other republics are adding their own sovereignty-oriented questions to the ballot, highlighting the Kremlin's failing authority.

Apart from the nationalist spirit that appeared to be carrying the majority vote in the plebiscites Sunday, there was resentment and and a sense of dilemma among the two republics' sizable numbers of non-Latvians and non-Estonians.

These voters, mainly Russian-born and Russian-speaking immigrants and their offspring, feel caught between the demands of the republics' rising nationalism and the patriotism being invoked by Mr. Gorbachev in his anxious defense of the shaky Soviet empire.

"I have lived here 30 years, my best years," said Rudolf Chaika, a Russian who was first posted in Latvia from Moscow as a soldier in the Soviet government's huge Baltic defense system. He chose to stay in a second career, raising a family that came to think of the republic as home.

A moderate proposal offering a free choice of Latvian citizenship is expected to be adopted by the republic's parliament. But in the campaign for the plebiscite, the Communist Party warned Russian communities that they faced a future of second-class citizenship.

"How to vote on such a question?" Mr. Chaika asked. He said that the issue was posed too simplistically in the question on the ballot: "Are you for a democratic, independent state of Latvia?" A similar question was on the Estonian ballot.

"Can I vote 'no' to democracy?" he said. "If I say 'yes,' how can I know what sort of democracy will follow? I do not like what I see so far."

AMERICAN TOPICS

New York City Loses A Round to Handbills

Your dog is lost? You're having a garage sale? Or staging an amateur theatrical? And tempted to say so on a handbill and paste it to a vacant wall or utility pole? It is illegal in New York City. But under a new court ruling, handbills may flourish as never before.

Citing constitutional guarantees of free speech, the appellate division of State Supreme Court struck down a New York City ordinance penalizing people whose names appeared on fliers and advertisements that were illegally posted. The New York Times reports.

Both sides in the case — the city, and a man whose name was on handbills advertising a rock music event and a poetry reading — agree that the ruling means the city will probably be unable to punish people who illegally post handbills unless it catches them in the act.

The U.S. Supreme Court says municipalities can prohibit the posting of handbills on public property. The defendant said his name was on the handbills, all right, and he passed them out freely, but did not know why they had been posted. The state court said that penalizing somebody whose name is on a handbill, without proving that he or she had actually posted it, inhibits freedom of expression.

Short Takes

Despite a pioneering open-enrollment program that permits Minnesota children to attend any public school they and their parents like, 99 percent are staying in their home districts. "Most people are choosing schools close to home and choosing where to live based on the kind of schools they're looking for," said Peggy Hunter, the state enrollment options coordinator. "For the most part, as yet, it isn't grand changes. I'd imagine there's going to be movement in that direction over time."

The Bush administration has stepped into a case before the U.S. Supreme Court with a request that prayers be allowed at public-school graduation ceremonies. In a "friend of the court" brief, Justice Department lawyers contend that schools do not violate the constitutional separation of church and state when they allow guest speakers to deliver invocations or benedictions at graduation. The brief said these occurred only once a year and were "addressed not to children alone but to families as a whole."

Shorter Takes: California's Hispanic population grew more than 70 percent in the last decade, the Census Bureau says, to 7.7 million last year, up from 4.5 million in 1980. Hispanics now account for 25.8 percent of the state's 29.8 million population. • From an early age, Americans prefer blondes, according to Joyce Brothers, psychologist and newspaper columnist. "Even in kindergarten," she reports, "studies show that 8 out of 10 boys and girls will paint the little girl's hair blond."

Arthur Higbee

WORLD BRIEFS

A Decongestant Is Recalled in U.S.

RESEARCH TRIANGLE PARK, North Carolina (AP) — The maker of Sudafed decongestant capsules ordered a nationwide recall on Sunday after the federal government notified it that two deaths and an illness may have been caused by ingestion of cyanide-laced capsules.

"Consumers should avoid taking Sudafed 12-Hour Capsules, and return all Sudafed 12-Hour Capsules to the store from which they purchased the product," the manufacturer, Burroughs Wellcome, said in a statement. Federal and Washington state officials ordered a recall of the capsules from two counties in Washington late Saturday night.

In February, a 40-year-old woman in Tacoma, Washington, died of cyanide poisoning, and a woman from Tumwater was treated after becoming seriously ill, reportedly from having taken Sudafed capsules laced with cyanide, according to Susan Hutchcroft of the Food and Drug Administration. The other death also occurred in Washington. No deaths or illness related to Sudafed have been reported in other parts of the country.

Chilean Army on Alert After Killing

RANCAGUA, Chile (AP) — The army went on alert Sunday after leftist guerrillas killed a physician who had been accused of working for the secret police under the former military government, the authorities reported.

The gunmen fired automatic weapons Sunday at Carlos Pérez and his wife, Luisa Schalyer, who was also killed, the police said. The attack took place as they arrived before dawn at their home in Rancagua, 80 kilometers (50 miles) south of Santiago. No one took responsibility immediately, but the police blamed leftist "extremists."

Human-rights campaigners and news reports had accused Mr. Pérez, an army major and doctor, of working in the torture chambers of the National Information Center, the former secret police.

40 Sign Treaty on Plastic Explosives

WASHINGTON (WP) — The United States and 39 other countries have signed a treaty in Montreal to help forestall terrorism in the skies by making it easier to detect plastic explosives at airports.

The agreement will require manufacturers in participating countries to add a chemical compound to plastic explosives that will set off warning signals on commercially available vapor detectors.

All the major manufacturing countries, including Czechoslovakia, the Soviet Union, Britain, France and Germany, signed the agreement at the headquarters of the International Civil Aviation Organization. Representatives of 35 other nations, including Cuba and Iran, signed a separate document signaling the intention of their governments to add their approval. Among those not represented at the conference leading up to Friday's signing were Iraq, Yemen and Libya.

Thai Vows a Return to Democracy

BANGKOK (AP) — The new interim prime minister chosen by the military junta said in a newspaper interview Sunday that he wanted to return Thailand to democracy as soon as possible.

On Saturday, the junta announced that Anand Panyarachun had been selected to be the interim prime minister. The announcement came a week after the military's leaders seized power in a coup and ousted Prime Minister Chatichai Choonhavan's elected government. Mr. Chatichai and his aides were detained, and martial law was imposed.

"We must return to parliamentary democracy as soon as possible," Mr. Anand, 58, said in the interview, published in The Nation. "There is no excuse to run the country under martial law one minute longer than necessary."

Students Occupy Jerusalem Building

JERUSALEM (Reuters) — Jewish religious students waving Israeli flags have occupied an empty building in the Muslim quarter of Jerusalem's Old City, where the body of a murdered student was found Thursday.

Students from the Ateret Cohenim theological seminary took possession over the weekend of two empty buildings which the seminary said it had purchased in 1988. Ateret Cohenim and other seminaries have been quietly buying land in the Old City, inhabited for centuries by Muslims and Christians, and waiting for an opportune time to move in.

Ateret Cohenim's name appeared recently on a list of three seminaries that received $3.75 million from the Housing Ministry, apparently to buy additional property. The seminary said it was occupying two buildings that it legally owned and was dedicating them to Elahana Attali, the student who was found stabbed to death in one of the buildings on Thursday.

Berlin Wall Data Reported Missing

BERLIN (AP) — The former East German leader, Erich Honecker, ordered all documents detailing the construction of the Berlin Wall separated from other classified government files, and the records are now missing, a newspaper said Sunday.

The paper, Berliner Morgenpost, based its report on an interview with Friedrich Kahlenberg, head of the German Federal Archives, which took custody of tons of East German government documents after unification.

TRAVEL UPDATE

Jordanian Airline Drops Surcharges

AMMAN, Jordan (Reuters) — Royal Jordanian Airlines said Sunday that it was dropping passenger surcharges imposed during the Gulf war and would resume flights to the Gulf, the Far East and Europe on March 10.

A spokesman said the insurance companies had decided to cancel the premium for the war risk, adding that Royal Jordanian Airlines had paid up to $150,000 a day in extra insurance on flights from Jordan, considered to be at risk because of the war in neighboring Iraq. The airline planned from Monday to drop one-way passenger surcharges of $150 for regional flights and $250 for other routes.

The papal apartment of the Lateran Palace, built in the 16th century, was opened to the public for the first time Sunday, the Vatican announced. The new museum, richly decorated with frescoes, will display the 1929 Lateran Treaty, under which the Kingdom of Italy recognized the sovereignty of the Holy See and its jurisdiction over Vatican City. Also on display are uniforms and arms of the various papal armies as well as papal robes used through the centuries. *(AP)*

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Guam, Malawi.
WEDNESDAY: Ghana.
THURSDAY: Monaco.
FRIDAY: Burkina Faso, Guinea-Bissau, Mongolia, Soviet Union, Syria, Yemen.

Source: J.P. Morgan, Reuters.

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Amsterdam	6	43	2	36	c
Athens	16	61	10	50	c
Barcelona	16	61	9	48	c
Belgrade	9	48	3	37	c
Berlin	6	43	1	34	c
Brussels	7	45	3	37	c
Budapest	3	37	1	34	r
Copenhagen	4	39	1	34	r
Costa Del Sol	21	70	11	52	fr
Dublin	8	46	1	34	r
Edinburgh	6	43	1	34	c
Faro	—	—	—	—	na
Florence	18	64	5	41	fr
Frankfurt	5	41	4	39	c
Geneva	10	50	7	45	r
Helsinki	0	32	-11	12	c
Las Palmas	21	70	12	54	fr
Lisbon	—	—	—	—	na
London	12	54	4	39	cl
Luxembourg	8	46	5	41	cl
Madrid	14	57	6	43	fr
Milan	14	57	4	39	cl
Moscow	0	32	-11	12	fr
Munich	9	48	1	34	c
Nice	16	61	9	48	fr
Oslo	1	34	0	32	sw
Paris	10	50	5	41	cl
Prague	6	43	0	32	c
Reykjavik	4	39	3	37	c
Rome	17	63	6	43	fr
Stockholm	1	34	0	32	sw
Strasbourg	12	54	6	43	c
Venice	11	52	-3	27	fr
Vienna	5	41	2	36	r
Warsaw	2	36	-2	28	fr
Zurich	11	52	5	41	c
MIDDLE EAST					
Cairo	23	73	11	52	fr
Istanbul	10	50	2	36	c
Manama	—	—	—	—	na
Riyadh	—	—	—	—	na
Tel Aviv	20	68	8	46	fr
OCEANIA					
Auckland	—	—	—	—	na
Sydney	27	81	17	63	fr

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	35	95	23	73	fr
Beijing	5	41	-4	25	fr
Hong Kong	17	63	16	61	cl
Manila	32	90	23	73	fr
New Delhi	24	75	12	54	c
Seoul	8	46	-4	25	fr
Shanghai	10	50	6	43	r
Singapore	32	90	25	77	r
Taipei	23	73	14	57	r
Tokyo	11	52	1	34	fr
AFRICA					
Algiers	16	61	5	41	fr
Cape Town	—	—	—	—	na
Casablanca	20	68	7	45	fr
Harare	—	—	—	—	na
Lagos	—	—	—	—	na
Nairobi	31	88	15	59	cl
Tunis	17	63	13	55	c
LATIN AMERICA					
Buenos Aires	28	82	16	61	fr
Lima	29	84	20	68	cl
Mexico City	22	81	10	50	fr
Rio de Janeiro	30	86	24	75	fr
NORTH AMERICA					
Anchorage	-1	30	-11	12	pc
Atlanta	15	59	1	34	r
Boston	15	59	7	45	c
Chicago	-1	30	-7	19	pc
Denver	19	66	-2	36	pc
Detroit	2	36	-4	25	pc
Honolulu	27	81	17	63	pc
Houston	17	63	7	45	pc
Los Angeles	20	68	12	54	c
Miami	27	81	16	61	sh
Minneapolis	-2	28	-5	23	pc
Montreal	-3	27	-4	25	sn
Nassau	23	73	22	72	sh
New York	15	59	9	48	cl
Phoenix	26	79	12	54	pc
San Francisco	17	63	11	52	sh
Seattle	10	50	5	41	sh
Toronto	4	39	-2	28	pc
Washington	15	59	10	50	sh

cl-cloudy; fe-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

MONDAY'S FORECAST — CHANNEL: Rough. FRANKFURT: Partly cloudy. Temp. 10 — 2 (50 — 36). LONDON: Rain. Temp. 10 — 5 (50 — 41). MADRID: Cloudy. Temp. 17 — 10 (63 — 50). NEW YORK: Rain. Temp. 12 — 5 (54 — 41). PARIS: Cloudy. Temp. 11 — 5 (52 — 41). ROME: Fair. Temp. 18 — 9 (64 — 48). TEL AVIV: Not available. ZURICH: Fair. Temp. 13 — 4 (54 — 36). BANGKOK: Cloudy. Temp. 34 — 25 (93 — 77). HONG KONG: Cloudy. Temp. 19 — 18 (66 — 61). MANILA: Fair. Temp. 32 — 21 (90 — 70). SEOUL: Cloudy. Temp. 7 — -8 (45 — 18). SINGAPORE: Fair. Temp. 32 — 24 (90 — 75). TOKYO: Fair. Temp. 14 — 4 (57 — 39).

I'll call you again tomorrow from the hotel.

ANA HOTEL SINGAPORE

16 Nassim Hill, Singapore 1025.
Contact, Utell, Delton Reservations, your travel agent or the hotel direct.
Fax: (65) 737 6684 Telex: ANAHSIN RS 21817 Tel.: (65) 732 1222.

UNIVERSITY DEGREE
BACHELOR'S • MASTER'S • DOCTORATE
For Work, Life and Academic Experience • No Classroom Attendance Required
(213) 471-0306
FAX: (213) 471-6456
Call or write for information or send detailed resume for Free Evaluation
Pacific Western University
600 N. Sepulveda Blvd., Dept. 23, Los Angeles, CA 90049.

IN MEMORIAM

To mark the first year Anniversary of the death of

Antony Portago,

there will be a memorial mass said in his loving memory, Wednesday, March 6th at 6 p.m. Eglise Saint-Séverin, Paris V.

صكذا من الاصل

صكاتب الدخل

AFTERMATH: U.S. and Arab leaders discuss plans to rotate thousands of American soldiers through Saudi Arabia for months at time.

Resentment Becomes Violent As Kuwaitis Hunt Palestinians

By Donatella Lorch
New York Times Service

KUWAIT CITY — Tanks rolled through the streets in Kuwait City's Palestinian neighborhoods Sunday as the army conducted house-to-house searches for weapons and alleged Iraqi collaborators.

Warnings were broadcast on loudspeakers in Arabic: "This is the Kuwaiti Army. Surrender your weapons, Palestinian people. This is for your security."

The military crackdown aimed at disarming people has been expected since the Iraqis were driven out. It took effect throughout the city but was concentrated in the Palestinian areas.

Resentment and antagonism toward the Palestinians, many of whom were born in this country, have long smoldered. The support given by Yasser Arafat, the Palestine Liberation Organization chairman, to Saddam Hussein of Iraq has transformed the resentment into hatred.

The Palestinian community in Kuwait City occupies several major neighborhoods. With a prewar population of 400,000, it was the largest foreign community in the country, and the third-largest Palestinian community in the world, after those in Lebanon and Jordan.

Kuwaiti and Palestinian officials estimate that there are 180,000 Palestinians still living in Kuwait City.

Kuwaiti resistance leaders, as well as ordinary residents, say that many Palestinians cooperated with the Iraqis and were given weapons, and that even those who did not cooperate received preferential treatment. When food and gas shortages were at their worst, the only stores open were in Palestinian neighborhoods.

The weapons crackdown began Saturday and was led mostly by Kuwaiti military. Several hundred Palestinians were rounded up Sunday, Kuwaiti police officials said.

A PLO Embassy spokesman who refused to give his name turned away reporters.

"We are concerned about it," he said, "but we can't do anything about it."

By early Sunday morning all entrances into Hawali, one of the largest Palestinian sections, were blocked off by tanks. Inside, on Tunis Avenue, Kuwaiti soldiers, many dressed in their chemical protection suits for warmth, stood in their tanks, guns ready. Some fired warning shots.

The soldiers appeared nervous, yelling orders and roughly pushing away pedestrians. An American soldier, apparently a member of the Special Forces unit, was also part of the convoy.

A Kuwaiti soldier had grabbed a young Palestinian dressed in a long gray and black robe and was dragging him by his hair. At one point the soldier stepped back, yanked back the man's head and whacked it with his M-16 automatic rifle.

As they neared Beirut Street, the man began struggling. He was thrown to the ground and kicked in the stomach and face. As three Kuwaiti soldiers yelled at him, another cocked his M-16 and put it to the man's temple.

The American soldier immediately intervened, pushing away the Kuwaiti and frisking the prisoner.

Less than four blocks away at the PLO Embassy, an angry Kuwaiti man stopped his car in front of the rundown two-story building and began yelling.

"These people are our enemy," Rabea Tukhaima, 40, told a reporter. "They have guns inside, they have Iraqis inside."

Sheikh Nawaf al Ahmad al Jaber as Sabah, the Kuwaiti minister of defense, said Saturday that soldiers had been given the order to shoot back if fired upon by Palestinians.

The Analysts

Four strategists, in their final analyses, review the war.

Robert Hunter | François Heisbourg | Ze'ev Schiff | Abdul-Karim Abou-Nasr

ROBERT E. HUNTER
Vice president of the Center for Strategic and International Studies in Washington.

Throughout the war, the U.S.-led coalition made good use of its unique advantages. These included electronic warfare that paralyzed the ability of Iraqi forces to counter the initial air assault, total allied control of the skies, precision guided weapons, integration of combat arms and tactics, and classic maneuver combined with shock and special operations. The coalition's capabilities were augmented by three unsung U.S. achievements: lift, logistics, and leadership.

Militarily, time was always on the side of the coalition: Iraq's military capability could not be significantly replenished. Indeed, the shift from sanctions to the air war owed more to political considerations than to anything else. The Bush administration feared that the coalition would collapse, and it wanted a clean-cut victory. The same was true of the move beyond the air war — including its "accelerated sanctions" to cripple Iraq's future military capacity. The attrition and decay of Iraqi forces in the desert, coupled with the lack of a political rationale for fighting in Kuwait or for Saddam Hussein, made them no match for the technical abilities and fighting spirit of the allies.

The decisiveness of the victory has achieved a political goal of special value: the humiliation of Saddam Hussein. Provided the United States shows wisdom and sensitivity in its postwar policy, that achievement can help point to a positive era.

FRANÇOIS HEISBOURG
Director of the International Institute for Strategic Studies in London.

The Gulf war has demonstrated that electronic warfare, precision bombing, and air operations generally, have crossed a qualitative threshold. Investments in air defenses and offensive air operations will presumably become a higher priority for states facing the prospect of modern warfare.

Conventional warfare may become relatively more acceptable because of the technical possibility of restricting civilian casualties. In a sense we are leaving a 20th century characterized by the mass murder of civilian populations in war. However, as war becomes more thinkable, it is also more necessary to attempt to limit its use to cases which are clearly in conformity with international law. In the atomic age, the prospect of mass destruction remains the potential outcome of war.

Lastly, one can only hope that the Arab world will now convince itself that dictatorship and aggression is not a viable formula for the restoration of the rights of the Palestinian people. Democratization may initially destabilize the Middle East — and in the process affect Western interests negatively — but in the long run it could yet be one of the most positive effects of this war.

ZE'EV SCHIFF
Military editor of the Tel Aviv daily Ha'aretz.

The ability to turn the military victory into positive political results depends on the following factors:

- Whether Saddam Hussein remains in power and, despite his weakness, becomes a nuisance factor for such Arab states as Saudi Arabia, Egypt, and Syria, or whether the new Iraq will be integrated into future regional arrangements.
- Whether the countries of the region tackle the problem of arms control. Dealing with this issue requires the cooperation of the Soviet Union in political settlements worked out in the Middle East.
- The fate of Jordan's King Hussein and whether the humiliation of the defeat will send shock waves through the Arab states.
- Whether political settlements can be worked out between Israel and Syria and between Israel, the Palestinians, and Jordan, with the Saudis playing a key role this time — and not behind the scenes.
- Whether Iran is involved in establishing a regional defense arrangement in the Gulf.

In the operative military sphere, a number of important lessons stand out in this war:

- Precision-guided weaponry, especially when used from the air, has not only proved itself but has become a decisive factor in the ground battles, as well. Operating such weapons from helicopters gave anti-tank warfare an advantage over armor.
- The ability to operate at night, using special instruments, effectively doubled the might of the allied forces.
- Electronic warfare thwarted the ground-to-air missile batteries with inordinate success. Anti-aircraft defense will have to find a solution to this situation quickly.

ABDUL-KARIM ABOU-NASR
Editor and political commentator with leading Arab publications since 1965; now working with a Kuwaiti daily, Al Qabas.

The post-Saddam era has begun — even with the Iraqi leader still in power — and a shocked Arab world is emerging, torn between a victorious camp and a defeated one.

Despite his efforts to portray himself as the champion who would redress Arab and Muslim grievances, Saddam's real intention was, in fact, aimed at specific geopolitical gains. These involved asserting Iraqi supremacy over the Gulf, changing the established regional balance of power in his favor and trying to impose himself as the main Arab interlocutor with the United States and the world.

But his campaign was based on miscalculations about the international situation, including the East-West balance and regional reactions. His military blunders revealed serious strategic errors. And his whole policy was colored by political wishful-thinking — perhaps the result of his system.

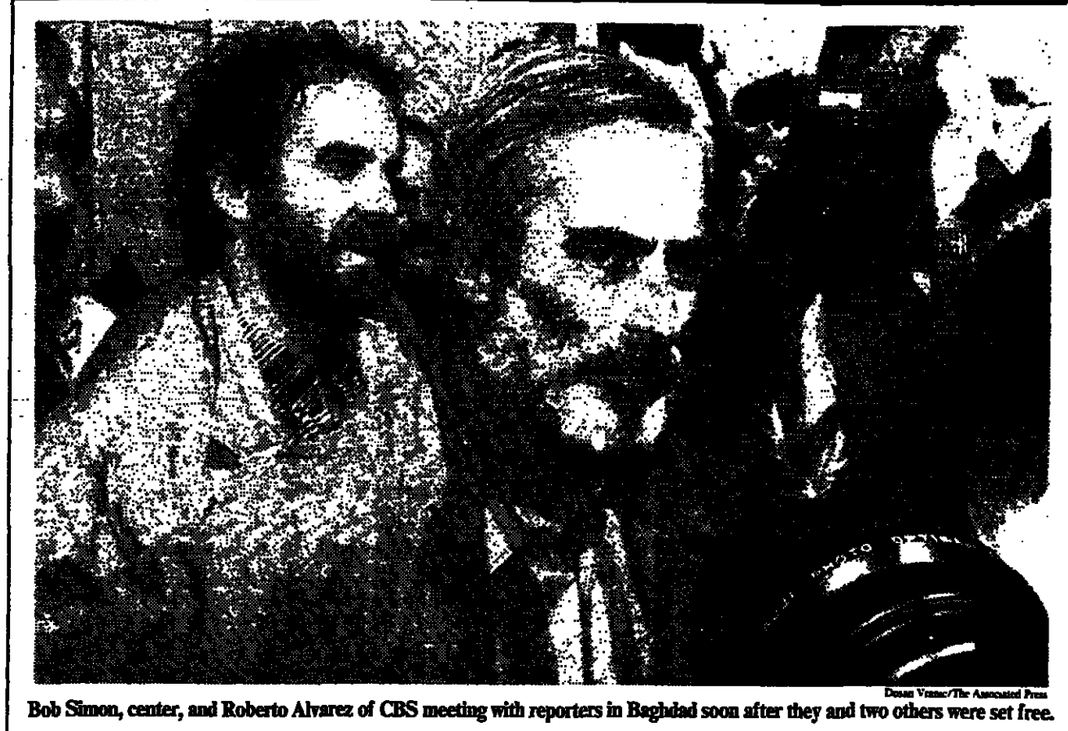
Saddam cloaked his ambition in the grandiose hopes he offered his supporters. He promised to establish more balanced wealth-sharing among Arabs, to defend Palestinian rights, to weaken Israel and to deal with the West from a position of strength.

But he failed to demonstrate any real capacity to attain any of the goals which he claimed to pursue. The hopes he raised quickly proved to be only faded dreams. His series of errors, over the months since Aug. 2, helped the allies ultimately inflict a total defeat on him that goes beyond a military setback.

Now the Iraqi leader probably has become for many Arabs an embarrassing living reminder of the humiliating collapse of a promised world, of which nothing is left but memories of illusions cruelly betrayed and the harsh facts of the new situation.

A more realistic approach, coupled with true self-criticism, should prevail in the Arab world over the mixed feelings, including resentment, that are a residue of this tragic experience.

The allies' long-term political victory depends largely on efforts displayed by them to encourage the emergence of a new Arab consensus based on realities, a consensus that turns away from delusions that are dangerous not only for Arabs in their own countries but also for the Arab world in dealing with the international community. Without this consensus, no solution can be found for any of the Middle East problems.



Doug Mills/The Associated Press

Bob Simon, center, and Roberto Alvarez of CBS meeting with reporters in Baghdad soon after they and two others were set free.

Iraq Frees 4-Man CBS TV Crew After 41 Days

By Craig R. Whitney
New York Times Service

LONDON — Bob Simon, the CBS chief Middle East correspondent who spent 41 days in Iraqi captivity, said from a hospital room here Sunday that he had not been sure until his release Saturday that he and the three other members of his crew would come out of the ordeal alive.

"We were released from jail at 2 A.M. and didn't know what was going to happen until we arrived at the Jordanian-Iraqi border," said Mr. Simon, 49, who was taken by CBS officials Sunday to the private Humana Hospital in Wellington.

Stuart Saunders, a doctor there, said that Mr. Simon and his colleagues had been beaten, but not severely, and that they were "in remarkably good shape when you consider that they've been imprisoned in awful circumstances for 40 days."

Dr. Saunders added, "They have all lost weight, but through malnutrition rather than disease."

Mr. Simon joked, "I am in the unusual position now of having to gain 30 pounds."

He said he was thinking of writing a book about the experience.

Mr. Simon — along with Peter Bluff, 46, CBS's London bureau chief; Juan Caldera, 29, a soundman; and Roberto Alvarez, 37, a cameraman — was seized on the fourth day of the war on the Saudi-Kuwaiti border. The whereabouts of the four men were unknown until the end of last month, when Iraqi officials told CNN's correspondent in Baghdad, Peter Arnett, that they were being held prisoner while President Saddam Hussein decided whether to charge them with spying.

Iraq executed an Iranian-born British journalist, Farzad Bazoft of the Observer, as a spy last year, before it invaded Kuwait.

Mr. Simon said that all the top officials of CBS News had come to London to welcome him and his associates after their flight from Amman, Jordan, on Sunday morning. Jack Smith, a CBS senior producer, said that allied bombing had destroyed Mr. Caldera's cell and injured his foot.

"He's lucky he's alive," Mr. Smith told Britain's Independent Television News. "The wall behind him was blown away and he simply walked around the cell door because there was nothing left of the floor or the wall behind him."

Joyous Kuwait Pauses to Ask, Where Is the Emir?

By Youssef M. Ibrahim
New York Times Service

KUWAIT CITY — Kuwaitis abandoned themselves to jubilation Sunday as thousands of cars paraded by the seaside with children dancing on their hoods. But many were asking each other, as well as strangers, why the emir of Kuwait had not returned home more than five days after Iraqi occupation troops left.

Many cars carried photos of the emir, Sheikh Jaber al Ahmad as Sabah. But Kuwaitis said in scores of interviews that they were "puzzled" and "confused" by the failure of a single senior figure of the Sabah family to signal arrival.

"We have suffered through seven months of hell here while they all left the moment the Iraqis crossed the border in the middle of the night," said Issa Ibrahim, 60. "I don't see why they cannot come now, even if they have to live in trailers."

This comment was echoed, albeit in milder forms, by many others interviewed throughout a day of great emotions as Kuwaitis began to take stock of the extent of violence perpetrated against them by Iraqi forces.

A well-informed Saudi said it was his "understanding" that Sheikh Saad al Abdullah as Salim as Sabah, the crown prince and prime minister, might arrive in Kuwait on Monday or Tuesday. But the Saudi added that it was "odd" that the most senior Arab official to visit Kuwait after the cease-fire was Prince Khaled ibn Sultan, commander in chief of the Saudi Army, who was shown on Saudi television touring the city and inspecting Saudi troops.

In several spontaneous conversations with people throughout the city, there was evidence of resolve to settle accounts with those in government who are judged to have acted irresponsibly before the Iraqi invasion. There are also very pronounced vows of revenge against the estimated 180,000 Palestinian residents of Kuwait City. Virtually all Kuwaitis interviewed Sunday view them as having supported the Iraqi occupation.

"I think we have to ask hard questions of the defense minister who left this country vulnerable to invasion even though the Iraqis had been menacing us for a month and a half before they came in," said Nasser Al Jabar, 27, who showed scars from torture that he said he had suffered after the Iraqis accused him of complicity with the resistance movement.

Another Kuwaiti, who asked not to be identified, said he believed "that some of the Al Sabah are afraid to return now while the security situation is still shaky because they know they have made mistakes which led to this catastrophe."

These questions come along with budding challenges to the government from outside Kuwait: Leading opponents of the Sabah family's absolute rule are threatening to hold a "popular congress" in London to press again for a return to a parliamentary system.

These opposition figures badly shook the Sabah family at a popular congress held in Jidda last year when they extracted a promise from the crown prince to abide by the country's 1962 constitution. This mandates the election of a free parliament immediately after the end of Iraqi occupation. Opponents now say the ruling family is abandoning this promise.

Most Kuwaitis interviewed here did agree, however, with the crown prince's imposition of martial rule over the next three months. They fully appreciate, they say, that remnants of the Iraqi Army may be hiding in Kuwait, as well as collaborators. Kuwaitis put Palestinians in this category.

"Even if the government says it will let the Palestinians stay here, the people will force them out," Ghassan Tweili said. "We are through with them and they know they have to leave Kuwait forever."

The most senior Kuwaiti official to enter Kuwait to date has been Abdul Rahman Awadi, the minister of state for cabinet affairs, a popular figure who vowed in his first public comments Thursday that democracy would return to Kuwait eventually.

Some felt his statement clearly indicated the leadership's awareness that Kuwaitis who stayed through the occupation resented the ruling family, which left immediately after the invasion.

After he inspected the scarred government buildings, the burning oil fields and the thousands of ransacked cars and homes left behind by the Iraqis, Mr. Awadi told Kuwaitis what they already knew well — that the reconstruction of the country may cost $40 million to $50 billion.

Mixed with expressions of rage there was an explosion of gratitude toward the allies who fought for Kuwait, particularly toward the United States and Saudi Arabia. Many of the Kuwaitis who drove their cars around town Sunday honking and waving victory signs draped their vehicles with Kuwaiti, American and Saudi flags.

Open expressions of affection for the United States were at times overwhelming. Many Kuwaiti women and children blew kisses and threw candy at American soldiers and journalists. Some youths walked draped in the Stars and Stripes, carrying signs that read, "Thank You, President Bush" or "Thank You, America." These were usually followed with obscenities addressed to Saddam Hussein of Iraq.

Mitterrand Proposes A UN Summit Meeting

By Joseph Fitchett
International Herald Tribune

PARIS — France wants to convene a summit meeting of United Nations Security Council members to reach a final settlement in the Gulf war and set a broader agenda for promoting stability in the Middle East, President François Mitterrand said Sunday.

The proposal, diplomats said, was designed to enhance France's weight in postwar political negotiations in the region, where developments are most likely to be dominated by the United States working closely with Saudi Arabia.

Mr. Mitterrand's initiative, which is unlikely to be accepted by the Bush administration, appeared to mark the return of diplomatic rivalry between Paris and Washington that had been buried during the fighting against Iraq.

In a 15-minute nationally broadcast speech on the end of hostilities in the Gulf, Mr. Mitterrand achieved what one diplomat said was the "feat" of avoiding a single mention of the United States.

Throughout the Gulf crisis, France has been readier than the United States to seek international formulas for handling the Palestinian issue and other problems in the Middle East.

With Secretary of State James A. Baker 3d starting direct contacts with Arab and Israeli leaders this week, the Bush administration has sought to limit the Security Council's role in postcrisis diplomacy. The United States has sought Security Council backing for broad principles, leaving it largely to the U.S.-led coalition of Western and Arab governments to decide on their exact interpretation.

By putting the main problems back in the hands of the Security Council, France, as one of the five permanent members of the UN body, could expect a larger political role.

There is no recent precedent for an extraordinary Security Council meeting involving heads of state and government of the 15 member countries, but Mr. Mitterrand said the new spirit of cooperation demonstrated by the absence of East-West deadlock during the Gulf war meant that a summit meeting might now be fruitful.

A lesson of the war, he said, was that France needed to change the organization of its armed forces, apparently to meet criticism that the French had trouble assembling tank and infantry units for the Gulf because draftees, who cannot be sent into combat outside Europe, are now spread through every army division.

■ UN Conditions for Iraq

John M. Goshko of The Washington Post reported earlier from the United Nations, New York:

The Security Council has approved a U.S.-sponsored resolution setting forth the conditions that Iraq must meet before UN sanctions can be lifted and the Gulf war can be brought to a formal end.

The resolution, adopted Saturday by a vote of 11 to 1, with 3 abstentions, demands immediate steps by Iraq to put into effect formally its acceptance of the 12 resolutions against it adopted by the Security Council after the invasion of Kuwait on Aug. 2.

That includes rescinding its annexation of Kuwait, accepting liability for damages caused by the occupation, returning the huge amounts of Kuwaiti property stripped from the emirate and taken to Iraq and freeing the thousands of Kuwaiti citizens reportedly abducted to Iraq.

The resolution also calls for Iraq to release all prisoners of war and any third-country nationals it is holding and to identify the placement of mines and booby traps that might threaten allied forces in Kuwait and southern Iraq.

The resolution implicitly allows the allies to resort to force anew if Iraq threatens Kuwait or takes other steps prohibited by the council.

TRUCE: *The Iraqis Accede*

(Continued from page 1)

of operations, said one provision of the tentative agreement on territory and borders was that Saudi Arabia's border with Iraq to the west of the theater of operations during the war would be immediately and explicitly recognized by both sides. He declined to elaborate.

General Schwarzkopf described the tone of the discussions as "very frank, very candid and very constructive," and he praised the Iraqi delegation for its "positive attitude" in accepting the allied conditions for a permanent cease-fire.

The talks, held across a rectangular table in a military tent erected beside an asphalt runway, "started off cool and it never really got any warmer," according to Lieutenant General Sir Peter de la Billière, commander of British forces in the Middle East, who attended the meeting as one of 40 allied observers.

The Iraqi generals, he said, "were cool but determined to make progress."

There was no discussion at the meeting of the conduct of the six-week war, nor any exchanges of soldierly camaraderie, General Sir Peter said. Instead, he said, the talks "all focused on the problems that needed to be resolved."

Asked whether the Iraqi commanders had offered any information about Saddam Hussein's grip on power in Baghdad amid unconfirmed reports of protests against his regime in Basra and other cities, General Sir Peter said the talks had provided "no indication one way or the other" on that subject.

The British commander said the Iraqi generals had provided a specific number of allied prisoners being held by Baghdad, but he declined to disclose the number. General Schwarzkopf said the allied commanders had "asked that as a token of good faith on both sides, that we have a symbolic release immediately," and added that he felt sure, based on the discussions, that such a symbolic release by the Iraqis would take place.

Hussein Said to Meet With Ruling Council

Compiled by Our Staff From Dispatches

BAGHDAD — Iraq's ruling Revolution Command Council, led by President Saddam Hussein, met on Sunday to discuss "the latest political developments," Baghdad radio said. It gave no details.

The radio said the meeting also discussed measures to speed up reconstruction in Iraq.

Iraqi television gave film to foreign reporters earlier Sunday showing a smiling Mr. Hussein meeting with aides, his first televised appearance since early in the war. The 45-second videotape was said to have been recorded Saturday.

Iraqi television was bombed off the air 10 days after the start of the war on Jan. 17. Mr. Hussein has not addressed the public since a radio broadcast last Tuesday.

The footage had no sound track. Despite springlike weather, President Hussein was filmed wearing a brown military greatcoat and black beret. He chatted, smiled and took notes. He was flanked by Information Minister Latif Nasif Jasim, Minister of Industry Hussein Kamel Hassan and the deputy chief of staff, Lieutenant General Abdul Satar Ahmed Maini.

Information Ministry officials were quoted by Western reporters in Baghdad as saying that the footage would be shown on Iraqi television when electric power was restored.

After a week of rumors that Mr. Hussein had sought to flee the country, the film was apparently designed to demonstrate that he was still firmly in control. But there was no way of knowing when it was recorded.

As Baghdad struggled to restore basic services, an explosion went off at 4:45 P.M., sending a mushroom-shaped column of smoke and fire into the sky over the extreme southern part of the city. The blast shook the foundation of the Rashid Hotel, about 25 kilometers (15 miles) away. Residents in some neighborhoods said the windows of houses had been shattered.

No casualties were immediately reported, and Iraqi officials were not available to comment.

Residents of the area adjacent to the explosion said they had neither seen nor heard any aircraft. They believed the explosion was caused by an unexploded warhead.

Electricity was restored to some neighborhoods in the capital late Saturday and early Sunday.

(Reuters, AP, NYT)

U.S. Wants To Maintain Major Force In the Gulf

By Michael R. Gordon
New York Times Service

WASHINGTON — The United States wants to maintain a much larger military presence in the Gulf region than it had before Iraq invaded Kuwait to deter attacks on American allies there, according to senior administration officials.

The plans, which are under discussion between U.S. and Arab leaders, envision rotating thousands of American soldiers through Saudi Arabia for months at a time and conducting large amphibious exercises on the Arabian Peninsula.

Squadrons of U.S. combat aircraft would be positioned at Gulf bases for similar periods.

Large quantities of war matériel would be kept in Saudi Arabia so that American forces, like army armored divisions, could make a speedy return in a crisis, and the navy would expand its presence in the Gulf and the Arabian Sea.

"You can deter aggression by having a U.S. presence in the area," Defense Secretary Dick Cheney said in an interview in which he explained the administration's thinking without commenting on details. "You can create a feeling of security and confidence on the part of our friends and allies in the region by having an enhanced U.S. presence in the region."

Although Pentagon officials said they wanted to avoid stationing ground forces in the region permanently, the extent of the exercises planned would provide a way of maintaining a regular presence.

The plans have been discussed with Arab leaders, but officials said that arrangements remained to be fully worked out. Secretary of State James A. Baker 3d is expected to take up the issue in his visit to the region this week.

Administration officials emphasized that Washington was not looking for the sort of formal security arrangements that the United States has through the North Atlantic Treaty Organization. Rather, the intent is to improve the U.S. military's ability to respond to a crisis while keeping a relatively low profile in the region.

Throughout the Gulf crisis, President Saddam Hussein of Iraq sought to encourage Arab sentiment against the United States and its Arab allies by charging that Washington was a colonial power whose real goal in sending forces to the Gulf was to extend its military influence there.

Administration officials do not want to open the United States or its Arab allies to charges of colonialism or to encourage a backlash by conservative Islamic groups.

Even so, the steps envisioned by the Pentagon would have been inconceivable before the war because of Saudi and other Arab sensitivities about a U.S. military presence.

As Iraq's Republican Guard began to mass on the Kuwait border in July, for example, the strongest military action taken by the United States was to send two KC-135 refueling tankers to the United Arab Emirates, an extremely modest step that nonetheless brought quiet protests from the Saudis, administration officials said. The United States had only a handful of ships in the Gulf at the time, and no aircraft carrier was in region.

Top officials, including Mr. Cheney, have publicly asserted that the U.S. military presence in the Gulf before Iraq invaded Kuwait was inadequate and that a new security system is needed.

Mr. Cheney spoke in general terms about conducting new exercises with Arab forces and expanding naval operations in the Gulf area, saying this had to be worked out with Arab nations. But senior administration officials gave specifics.

The first step to improve military arrangements in the Gulf, the officials said, was secretly taken early in August, when Mr. Cheney met with King Fahd of Saudi Arabia to persuade him that American troops were needed to defend his country against a possible Iraqi attack.

Mr. Cheney assured the king that any U.S. forces sent would leave when they were no longer needed, but he also said steps should be taken to make future U.S. deployments easier, administration officials say.

That was a reference to an administration proposal to store large quantities of U.S. military equipment in Saudi Arabia. The proposal was driven by deep concern within the Bush administration that it took too long to transport U.S. forces to Saudi Arabia under existing plans, leaving initial deployments vulnerable to enemy attack.

MARIO VALENTINO
MILANO - Via Montenapoleone 10 VENEZIA - San Marco 1255
FIRENZE - Via Tornabuoni 67 ROMA - Via Frattina 84
NAPOLI - Via Cellamare 10 CAPRI - Via Camerelle 11
S. MARGHERITA - P.zza V. Veneto 1 CORTINA - C.so Italia 59
ZURIGO - Strehlgasse 14 PARIGI - 24 Rue Royale
NEW YORK 645 Fifth Avenue - SINGAPORE - HONG KONG - TAIPEI

Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

A Middle East Agenda

Seize the Opportunity

Think of the Middle East as a jigsaw puzzle on a wobbly card table. Saddam Hussein knocked over the table. Now, after the thrillingly quick allied triumph, the pieces are back on the table, leaving the United States and its allies with a breathtaking opportunity. But the puzzle needs to be put back together just as quickly. There is neither time nor reason to reshape the individual puzzle pieces. The Gulf war was fought, after all, to uphold sovereign borders, not revise them.

What is of transcendent importance, however, as Secretary of State James Baker heads for Middle East meetings this week, is to rebuild the card table. Four sturdy new legs would protect against future shocks.

The first need is regional arms limitation, starting with Iraq. The next is a web of peace treaties, explicitly including Israel. Meanwhile, the international community needs to build on the first successful collective security operation in decades. Finally, Mideast governments need to distribute political and economic power more widely.

□

Curbing the regional arms race. The first concern is to contain Iraq, which until last week had the Middle East's largest and most dangerous army. Most of its offensive capacity seems to have been destroyed, but the continued pressure of United Nations embargoes is needed until Iraq accepts strict, verifiable arms limits.

Regional stability would not be enhanced if a weakened Iraq tempted adventurist neighbors. Regional security guarantees should be buttressed by commitments from arms suppliers like the United States, the Soviet Union, France, China and Brazil to restrain reckless transfers.

Undefeated Arab states may reasonably resist any arms limitation plan that excludes Israel. But the Shamir government recently signaled willingness to talk about regional arms control. Such talks could promote wider Arab recognition of Israel.

Fashioning a regional web of treaties. The Kuwait crisis revolutionized Arab political thought, drew Iran back into contact with the world and scrambled Palestinian politics. Arab states resolutely resisted Saddam Hussein's efforts to split the coalition with pro-Palestinian rhetoric and a rain of Scuds. Israel won grudging admiration by refraining from retaliation against Iraq.

The best way to build on this progress is to fashion a regional web of mutual security agreements. It needs to include Israel and be guaranteed by major outside powers.

Some Arab states might now be willing to follow Egypt's example and recognize Israel. In return, Israel might offer credible formulas for the exercise of Palestinian political rights and for implementing Security Council resolutions that ordain trading land for peace.

Consolidating and refining collective security. The Kuwait crisis brought the Security Council back to life after 40 years of deadlock. It gave substance to post-Cold War cooperation between Washington and Moscow. But no satisfactory formulas were found for sharing the financial and military burdens of enforcing international law. And in the decisive military phases of the crisis, the United Nations was all but bypassed. The gains now need to be built on, the shortcomings remedied.

Expanding access to political and economic power. Saddam Hussein was able to sacrifice hundreds of thousands of Iraqis in two disastrous wars only by maintaining a fiercely repressive dictatorship. The Arab world is divided, furthermore, between rich Gulf monarchies and poorer relations in countries like Jordan, Yemen and Tunisia. It is not Washington's role to redesign the internal politics of Middle Eastern states, but America has every reason to proclaim and promote democratic values. Where appropriate, it might condition U.S. aid on respect for basic rights.

□

America and its allies have achieved much with their bold performance in the Gulf war. They have protected Saudi Arabia, liberated Kuwait, created a prototype for collective action and sent a reverberating warning to potential aggressors. Now, by capitalizing on the diplomatic opportunities, the allies have the chance to transform a famous victory into a historic triumph.

— THE NEW YORK TIMES.

Proceed Carefully

Military success in the Gulf has stimulated a tendency to write down all the unsolved problems of the Middle East and to call the whole list the essential American postwar agenda. Some of this can be attributed to the sort of forgivable exuberance that will fade, but another part reflects a carelessness that needs to be checked.

The United States succeeded in the war because it made it its priority and worked at it. The same requirement to identify priorities and compose intelligent strategies still holds. But the familiar issues of the Middle East — regional security, arms control, Arab-Israeli peace, economic redistribution — do not lend themselves easily to the same kind of focus and management that George Bush applied in the war. Each of them engages Americans with a different set of international players, domestic forces and policy urgencies. The president, to use his war prestige, has to make some hard choices.

The first priority is obvious. The allies must tie up the loose ends of the cease-fire and see to the prompt return of allied POWs, third-country nationals and Kuwaiti detainees. Quite soon the coalition should be shipping home the Iraqi prisoners, the best possible messengers to break through the lies Saddam Hussein has told his people. The issue of war crimes trials must be addressed. So must the inconsistency between demanding reparations and imposing sanctions: To pay the one, Iraq must be released from the other. All this must be done in a context that encourages political evolution in Baghdad without adding gratuitously to the privation of the Iraqi people and to their and others' hostility to the United States.

A second priority is the restoration of Kuwait. Much of this will flow from the intelligence and wealth of the Kuwaitis themselves. They are not only restoring a society devastated by war, they are also going to be inventing or reinventing a more democratic form of government as well as a foreign policy that will ensure them more safety than the old policy did. From Kuwaitis the United States will necessarily take some part of its compass bearings to make the whole Gulf more stable and secure.

Security policy is not a prime concern while the United States physically dominates the Gulf, but that sort of domination is a wasting asset and must be replaced by a cooperative scheme in which American reliability is unquestioned but the American role is conducted at a remove. Cooperation in limiting the arms flowing into the region from outside has to be matched with a deft sense of the relationship of Gulf and Mideast countries to each other: arms control plus diplomacy plus an address to regional economic disparities. The United States has not had great success in wielding these three arms of policy in the Gulf. It must work with others to find an effective way.

Ask Arabs what ought to be the number one American priority, and they say Palestine. The double-standard argument is ringing strong — the claim that America should be no less attentive to Israel's Security Council violations than to Iraq's. The right answer here does not lie in rushing to an unprepared and unwieldy international conference, but in drawing Israel and the Arab governments into a deepening dialogue on their direct relations and on the Palestinian question, too. That offers the best way to make sure that the Palestinians, once they locate representative and plausible spokesmen, will receive their regional due.

By putting itself simultaneously at the head of an Arab cause (liberating an Arab state) and an Israeli cause (removing a regional threat), the United States has not become able to dictate solutions to the Arab-Israeli dispute or to any other problem. But it is in a position to make a careful and responsible contribution. In the Middle East, that is plenty.

— THE WASHINGTON POST.

OPINION

Case Study of a Perfect Military Operation

By John Keegan

LONDON — The victory won in the desert last week is not only historic. It is also classic. It will be written about by military historians for decades to come. More important, it will be studied in military academies and staff colleges throughout the world as an example of a perfect military operation. The credit belongs to the armed forces of the United States.

As a Briton, I take the greatest pleasure in writing that. The British are immensely proud of the contribution that their armed forces have made to the victory. We sent most of our forces from Germany, Army and Royal Air Force, to the Gulf, and a large part of the Royal Navy. The RAF Tornado pilots, who suffered such grievous losses in the opening low-level attacks, are national heroes. The soldiers of the British 1st Armored Division, who defeated the Iraqi tanks defending the obstacle belt, will have a hero's welcome when they come home.

What could not be foreseen was the sheer audacity of the plan that General Powell and General Schwarzkopf had devised.

Nevertheless, the British nation rightly recognizes that the laurels belong to America, and the victor's crown to a remarkable pair of military leaders, General Colin Powell and General Norman Schwarzkopf. They would be carried in triumph through the streets of London if they were to appear there today. The question that tantalizes us all is: How did they do it?

The air forces played the decisive part. To say that is not to detract from the courage or effectiveness of the soldiers. What General Powell and General Schwarzkopf identified from the outset of Desert Storm is that an enemy in the desert who is deprived of air cover is a dead duck.

Rommel learned that fighting Montgomery, and he never forgot. The Israelis demonstrated it in 1967 and in 1973. The American generals therefore set out to ensure that they would win air supremacy, which they were able to declare on Jan. 30. Such a declaration has no precedent in military history.

What it reflected was that the Iraqi air force could not operate. Much of it, as we know, took refuge in Iran. More important, the declaration signified that the Iraqi high command could not see. Denial of intelligence of allied units' whereabouts and movements meant that the U.S. generals could proceed to the next stage of their plan, which was to deceive the Iraqis as to where the blow would fall.

The deception plan had many strands. One of the most important was the staging of amphibious landing exercises by the embarked Marine Corps brigades in the Gulf, which persuaded the Iraqis that they must keep six divisions on the Kuwait coast as a precaution. Another was the bombardment of positions by allied artillery that the allies had no intention of attacking. A third was the use of special forces, including the British SAS, to sow alarm and confusion in the Iraqi rear areas. A fourth was a deliberate program of leaks and misinformation, as confusing to the media as it was to the enemy, of what form the eventual plan would take.

Whatever the media will say, such *ruses de guerre* were entirely justifiable when the enemy outnumbered the coalition's side as substantially as it did. By the eve of Operation Desert Saber, as the offensive was code-named, the American generals had wholly confused the Iraqis as to their intentions, while coalition air forces and artillery — naval as well as military — had already inflicted appalling loss on the ordinary Iraqi soldiers. Despite the small number of allied divisions available for the attack — nine American, one British, one French, two Egyptian, one Syrian plus the Saudi and Kuwaiti brigades — it could be foreseen that the allies would break through.

What could not be foreseen was the sheer audacity of the plan that General Powell and General Schwarzkopf had devised — not a reoccupation of Kuwait, perhaps after costly fighting in the mine fields, but an envelopment of the entire Iraqi army. Experienced military analysts had made their predictions. None guessed that the American generals would risk one of the boldest strokes ever undertaken in warfare.

What they had seen was that geography had created a trap for the Iraqis. On the Iraqis' left was the sea. To their front were their own mine fields. But behind them stretched the waterlogged course of the lower Euphrates, the bridges across which had been destroyed by the air forces. If the allied armies struck across the desert to the river, the Iraqis could be encircled and denied retreat to Baghdad.

General Powell had given fair warning. "First we will cut off the Iraqi army," he said, "then we will kill it." Saddam Hussein no doubt thought this a boast as empty as those which are his stock in trade. General Powell is not a boaster. He knew he could do exactly what he threatened — more precisely, that his soldiers could do it for him.

In exactly a hundred hours of fighting, by a combination of overarching airborne leaps and bloody armored assaults on the ground, his soldiers reached the Euphrates, turned inward and constricted the Iraqi army in a python's embrace.

What has been done is not simply to liberate Kuwait or to restore order to the Gulf region. The Gulf victory issues a warning to warlords everywhere that the civilized nations will not tolerate empire building, above all that they will not countenance attempts to defy the rules about possession of nuclear weapons.

It was clearly Saddam's ambition to become a nuclear power. That ambition has been quashed. Any other regional dictator who nurtures the same ambition will now put it out of mind.

The writer is defense editor of The Daily Telegraph in London and author, most recently, of "The Second World War." He contributed this comment to The Washington Post.

Now Back To Politics As Usual

By Leslie H. Gelb

DEAR Mr. President: If you're only reading short adulatory messages, the following sentence is an executive summary: You, your advisers and the fighting men and women of the United States brought great honor to our country in the Gulf.

After the celebrations, however, don't expect any deference from Democrats on domestic issues (they'll be righter than ever for having been wrong on the Gulf), cooperation from those nations you helped save (they said thank you on Thursday) and further compliments from journalists (we're not in that business).

On the war, I was with you 87 percent. The other 13 percent was constructive criticism, most of which you fortunately ignored.

Everybody else, as you now know, was with you 103 percent. Some experts and colleagues would have been with you 105 percent had you been a little tougher and used maybe one very small nuclear weapon, just to make sure they work.

You have every right to feel like Superman. No president since Harry Truman ended World War II has brought such uncluttered success to America. You have our undying admiration. That and $1 trillion will help you close the deficit.

Here are some test cases of what's to come in Congress.

Say, instead of reducing the Pentagon budget, as you promised, you now want increases. Maybe you'll get 20 new Democratic votes, but not enough to win. Say you want a big jump in spending on "star wars." Perhaps Democrats will give you a few extra million, simply to cover their retreat; no more.

On domestic issues like energy, education, child care and the economy, Democrats will have to be even more rambunctious than before the war. Your dominance in foreign affairs will make it more important for them to distinguish themselves in areas where you haven't done very well and don't seem to care very much.

It's fair for you to unleash Republican pit bulls to chew up Democrats for being soft on the Gulf. It's your party's only chance to gain control of Congress. But you should retain your credibility and never gainsay that the Democrats backed you after they lost the vote to stop you from warring on Iraq. Republicans, when they disagreed with the way the Korean and Vietnam wars were being fought, abandoned Democratic presidents.

Besides Americans, the deepest debt to you is owed by the Kuwaitis, the Saudis, the Israelis and America's allies from Egypt to Europe to Japan. Expect even less generosity than from the Democrats. The Saudis probably will give you a year's worth of oil at low prices, to show where their hearts are. After that it will be all wallets, once again. Just ask them to sit down at the peace table with Israel.

Nor will Prime Minister Yitzhak Shamir feel he owes you much for dispatching the Patriot missiles to defend Israel against the Scuds. Instead he will likely remind you about Palestinians cheering on the Scuds, and present his bill for the destruction.

As for the Kuwaitis, don't count on enlightenment. A senior Kuwaiti cabinet minister acknowledged to "60 Minutes," the CBS news program, that the war "has made us know that what we used to do was wrong."

For example, he offered, "I had four maids, or three maids in my house; you can have two maids. Why should you have four maids in the house? Why doesn't your wife do some of the work?"

Yes, indeed, women's liberation comes to Kuwait. Will it be said of these royal gentlemen what was remarked about the Bourbons returning to rule France after the defeat of Napoleon — that they learned nothing, and forgot nothing?

Also, loyal allies still owe America about $40 billion for their share of war expenses. They've paid only a fraction of their pledges, which were far too low to begin with. Yes, it's unbecoming for a world hero to travel hat in hand, but also make sure they don't pay off, as before, in used Sony tape recorders and East German military uniforms. Cash, preferably in Deutsche marks and yen, will do fine.

Probably the threat to your re-election ended when the cease-fire began last week. But all heroic leaders of democracies should keep in view the fate of Winston Churchill, whom the British loved for leading them toward victory in World War II but whom they voted out of office before war's end for his inattention to Britain. Democracies love their war heroes, but they love their country even more.

The New York Times.

Who Says Arab Societies Are Unable to Modernize?

By Stephen S. Rosenfeld

WASHINGTON — We cannot forget that before this war, as before its other wars and upheavals, the Middle East was known as a region conspicuously resistant to modernization, especially political modernization. This basic and basically cultural condition — 21 Arab states, no Arab democracies worthy of the name — may conceivably have been deepened in some quarters by Iraq's defeat. That event may have stirred new Arab rage against the West, which is rightly seen as the fount of global modernization. So we are warned, at any rate, by some close observers of the Arab scene.

In fact, the war has generated a split among "Arabists," and none too soon. Some of them emphasize the familiar reading that the Arab political culture is traditional and fragile and reacts poorly, in futility and anger, to encounters with the West. One relevant political implication here is that the West should be slow to impose its political values, either on Iraq in defeat or on the Arab allies in victory. It is not just that majority rule might seat Shiite or fundamentalist majorities opposed to the conservative, narrowly based Arab regimes that the United States favors. The very raising of the question of democracy could be destabilizing.

A competing reading holds that Arab society was already changing, the war has given a tremendous impetus to modernization and this makes it not only desirable but feasible for democracy to be promoted now.

One theory about Arab society was tested in the war and found notably wanting. I refer to the prediction that the allied campaign against Iraq's aggression would trigger a vast sympathetic uprising across the Arab world. In the event, there were rumblings in some countries — and no doubt in many minds — but nothing like a broad uprising. This would seem reason to discount current forecasts that Saddam Hussein's fall will unleash uncontrollable "street" forces throughout the region. Shock and confusion, yes, but, in a mix to be determined, relief and gratitude, too.

The argument that Saddam should not be 'humiliated' assumes that he truly represents the Iraqi people and the larger Arab community.

It has been chilling to observe the satisfaction with which some sectors of the Islamic publics greeted Saddam Hussein's depredations. This supposedly heroic figure was actually hailed, most conspicuously by Palestinians, for his daring and bravery when he fired missiles at civilians in Israel.

There is something patronizing, however, about the notion — to extend it to its true dimensions — that all Arabs (or Muslims) are prisoners of the furies that moved Saddam and those who thrilled to his crimes; that pan-Arabism, authoritarianism, fundamentalism and other nonmodern concepts are bound to triumph over modern ideas like nationalism, secularism, liberalism and pluralism; that Arab history and culture are iron forces denying enlightened change.

Here lies the defect of the argument that Saddam should not be "humiliated." It assumes that, although he was not fairly elected, nonetheless he truly represents the Iraqi people and the larger Arab community, and hence to humiliate him is to humiliate and alienate them. Bad enough that this argument gives a free pass to a dictator's aggression. It also libels a whole people, who, whatever their reactions in the street, were never permitted democratic ways or consulted on the decision to take Kuwait.

Arabs, it is said apologetically, are primed for a new Western "betrayal," for seeing a campaign launched ostensibly to restore Kuwait converted into a maneuver by which the West again denies Arabs their due — for Israel's benefit if not at its bidding. This is said by way of suggesting that it is the West and especially the United States, not Iraq, which now must redeem itself. The commonly favored path to redemption entails the rollback of Israel and establishment of a Palestinian state.

Let us set aside the novel and silly idea that the liberator must make amends. Let us adopt instead the sensible idea that America has good political reason to encourage an Arab-Israeli settlement. This was pressing before the war and will be no less so in the complex postwar environment. But for progress there must be Arab participation as well as Israeli.

Can it really be that responsible policy in the interest of Arabs is permanently beyond the limits of the Arab political culture? It is fair for Arabs and others to question Israel's and America's readiness, as they constantly do. Whether Arabs are prepared to explore their own readiness is the telling issue.

The Washington Post.

Popular Arab Sentiment Has to Be Reckoned With

By James E. Akins

WASHINGTON — Ideally, we Americans would have won the Gulf war armed not only with smart bombs and Patriots but also with a solid knowledge of Kitchener's victory at Omdurman, the histories of the Crusades, the stories of Saladin and Reginald of Kerak and their meaning to latter-day Arabs, and a few pocket references to the Koran.

We will have to learn fast.

George Bush has just made wise and magnanimous gestures to the Iraqi people. He need not treat Saddam Hussein as Grant treated Lee. In fact, there is little reason to concern ourselves with Saddam. He has been defeated and humiliated and will soon be dead at the hands of his own people unless some unlikely country gives him refuge. And the martyrdom he has courted will elude him unless we or the Saudis bring him before a war crimes tribunal and execute him.

After our departure, the friendly Arabs will probably last longer than did our friends in Vietnam — but not much.

His departure, however, will not be graceful. He will try to rally Islamic fundamentalists around his tattered banner, and make an offer to the Iranians of an alliance, or even a confederation. But neither fundamentalists nor Persians are likely to associate themselves with a proved loser.

Still, the United States will not be viewed as the savior of Arabs or Islam. Even before the war, Arabs wondered if Mr. Bush and his generals were serious in their threats to turn Bagdhad into a parking lot. Now they are sure he was serious, and they compare him with Hulagu Khan, commander of the Mongol horde that destroyed Bagdhad in 1258.

Iraq did not recover until this century, yet it became the center of the Arab renaissance. It has the best painters, the best sculptors and some of the best poets and writers in the Arab world. Its destruction will not be accepted easily, even by the enemies of Saddam Hussein.

Yet nothing in politics is inevitable, particularly in the Middle East, and American disaster might be avoided. President Bush might even be able to build a new world order, albeit not the one he envisaged. But that will require imagination, intelligence and understanding of American traditions and Arab politics — traits America has not exhibited in foreign policy in the last decade.

Mr. Bush's first task will be to call for an international conference to address all the outstanding Security Council resolutions on the Middle East: Jerusalem, the West Bank and Gaza, the Golan Heights, Lebanon and perhaps Cyprus for good measure.

Before the war, Mr. Bush assured the Arab leaders of the coalition that he would do just that. He could not state it openly then, as he believed he could not allow Saddam to claim credit for the change in the American position. That is no problem today, and Arabs await his proposals.

If the proposals are serious and effective, America's reputation as destroyer of Arabs could be turned into that of bringer of justice.

Israel already is strongly opposing any new American peace initiative, but the great majority of the American people would surely support a Bush initiative to solve the Middle East's main problem.

If Mr. Bush also encourages democracy in Iraq and advances it as America's goal for Kuwait and all countries of the area, if he supports a redefinition of Iraq as a "Republic of Arabs and Kurds" with full cultural rights for Kurds and other minorities, he would be true to American traditions and to the America of Lincoln and Wilson, which was venerated by early Arab nationalists.

This seems easy and natural to most Americans, but it would require a shift in position by President Bush. At the beginning of the crisis he said he was not interested in self-determination. "It's not a question of democracy," he said of Kuwait, "it's a question of legitimacy." This was a view more appropriate to the restoration-minded Congress of Vienna than to the American White House.

Inertia in politics, as in nature, is hard to overcome, and there will be those who will tell the president that it is best to do nothing. He will be told that proposals for democracy in Iraq and, worse, in Kuwait would offend the rulers of Kuwait, Saudi Arabia and Syria, and that rights for the Kurds would be anathema to Iran and to Turkey.

He will be told by "realists" that popular Arab sentiment is irrelevant. Still, it will be hard for him ignore anti-American demonstrations in Cairo and Rabat. They will be more frequent and more violent as reports of the destruction of Iraqi cities, and of Iraqi babies dying of dysentery, are carried on world television and radio. America must expect most of its Middle East allies to face serious internal problems. The governments of Egypt, Syria and Morocco will be shaken and could be overthrown.

The crucial question will be what happens in the Arabian Peninsula. There just might be no immediate problem. If the governments of the super-rich countries are sufficiently generous to their people; if they allow some rudimentary democracy; if they bring in non-Muslim Asians to do the work hitherto done by Yemenis, Palestinians and Syrians, they might enjoy several years of tranquillity.

Occupation of the peninsula could be immensely profitable. America is now the main power in OPEC; it can decide oil policy for countries that contain 60 percent of the world's conventional oil. This could work to America's advantage — for a while.

Arab governments are made uncomfortable by the accusation that they are "American stooges." The country that contains Mecca and Medina must be particularly sensitive to a U.S. military presence. Sometime, probably soon, some Arab will bomb some American military installation somewhere in the peninsula.

We Americans are not good imperialists. We like to be loved; we are uncomfortable when "natives" hate us, particularly when they kill us. When the first bloody incidents occur we will not know how to respond any more than we did when the Marine Corps barracks was destroyed in Lebanon. There will be great domestic pressure to withdraw to our hemisphere. And we probably will.

After our departure, the friendly Arabs will probably last longer than did our friends in Vietnam — but not much. Then the period of recrimination can begin. Who lost the Middle East and why? Democrats will search their files for statements made before Jan. 15, 1991, that warned the Bush administration to be cautious and allow sanctions time to work.

The writer, a career U.S. Foreign Service officer from 1959 to 1975, served in Kuwait, Iraq and Saudi Arabia. He contributed this comment to The New York Times.

Stop Expecting Israel to Give Ground

THE heavy hints that of course a regional settlement must "address" the Palestine question by putting it "high on the agenda" are so much humbug. The Israelis are not going to budge. Israel has become what it is because of a historical injustice, but to confine it within its pre-1967 borders, or even something close to them, would be an injustice equally grave.

Israel's occupation of the whole of biblical Palestine and not just part of it may be wrong, unjust and all the rest of it, but it is a fact. Ten minutes with a map will show the utter unreasonableness of expecting Israel to withdraw from the heights of what it calls Samaria overlooking the coastal plain. No Scud missiles would be needed to destroy Tel Aviv. A few short-range artillery pieces would finish the job in no time.

A terrible calamity overtook the Arabs when Israel set up its state. The terrorism perpetrated by Jews was every bit as horrific as any since perpetrated against Jews by Arabs. But this has happened before in history and however unjust it might have been, however outraged people were at the time, it eventually had to be accepted that the change was irreversible.

— Geoffrey Taylor, commenting in The Guardian (London).

Other Comment

No Forced Repatriation

There are already indications that a lot of Iraqi soldiers would resist being sent home. They have good reason to worry. During the Iraq-Iran war the regime did not hesitate to execute those it accused of having failed in battle. During the Kuwait war, Iraqi death squads patrolled the battle zone, shooting soldiers suspected of trying to desert or of lacking the will to fight. It is not implausible that for some Iraqi soldiers the very act of surrender would be regarded as a capital offense. This is, after all, a regime desperate now to blame others for its own ineptitude. The issue of involuntary repatriation is one the United States has had to face before. It did the right thing then. It should do the right thing now.

The earlier occasion came almost 40 years ago, during the long negotiations that finally led to an armistice in the Korean War. The United States and its allies, fighting under the auspices of the United Nations, held tens of thousands of North Korean and Chinese prisoners of war. The Communist side demanded that all must be repatriated. But it quickly became apparent that many of the prisoners would resist being sent back. President Truman, disregarding the advice of senior military commanders, decided that there would be no forced repatriation. "We will not buy an armistice," he said, "by turning over human beings for slaughter or slavery."

This firm stand prompted the Communists to break off the truce talks and almost certainly led to a prolongation of the fighting. In the end, though, Truman's principled view prevailed. Out of about 170,000 Chinese and North Korean prisoners, fully half — after being interviewed by neutral nations' observers and representatives of their own governments — refused repatriation.

Iraq, fortunately, is in no condition to resume fighting if some Iraqis resist repatriation. How many might do so should soon be known. The problem then will be to see which Arab countries, if any, are prepared to offer asylum to those Iraqi soldiers who do not want to go home again.

— Los Angeles Times.

100, 75 AND 50 YEARS AGO

1891: Controls Eased

PARIS — In circles usually well informed upon German matters, it is believed, says the *Figaro*, that the increased stringency of the passport regulations on the Alsace-Lorraine frontier will not be maintained, and that very shortly there will be a return to the *status quo ante* the visit of the Empress Frederick to Paris. Telegrams from the frontier state that the new regulations were enforced yesterday morning [March 3].

1916: Few Furloughs

LONDON — Mr. H. J. Tennant, Under Secretary for War, replying in the House of Commons to a member who complained that the number of furloughs accorded to British soldiers was small, said: "The moment when our Allies are fighting against the violent attacks is badly chosen to discuss the question of furloughs for soldiers. (Cheers.) I may say that the present and approaching phases of the war may rather prevent the increase of facilities for furloughs."

1941: Bulgaria Invested

SOFIA — While Bulgarians flew flags and paraded today [March 3] in celebration of the sixty-third anniversary of the nation's liberation from the Turks, their country was being efficiently occupied and prepared for use as a base for future operations by German armed forces. Scanty communications with the provinces made it difficult to gain information enough to estimate accurately the number of German troops and the amount of matériel already arrived, but it had become increasingly clear that the occupation was being carried out on the grand scale. Already there were more than enough Nazi soldiers in Bulgaria to keep peace in the Balkans. There were unconfirmed reports that the Germans had arrived at the Greek and Turkish frontiers.

— From the New York edition of the New York Herald Tribune.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, *Chairman 1958-1982*
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen
LEE W. HUEBNER, *Publisher*
JOHN VINOCUR, *Executive Editor* • WALTER WELLS, *News Editor* • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • CARL GEWIRTZ, *Associate Editor* •
ROBERT J. DONAHUE, *Editor of the Editorial Pages* • REGINALD DALE, *Economic and Financial Editor*
RENÉ BONDY, *Deputy Publisher* • RICHARD H. MORGAN, *Associate Publisher* •
FRANÇOIS DESMAISONS, *Associate Director* • JUANITA I. CASPARI, *Advertising Sales Director* •
ROBERT FARRE, *Circulation Director, Europe*
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.
Directeur de la publication: Richard D. Simmons
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel.472-7768. Tlx RS36928
Mng. Dir. Asia, Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Kong. Tel. 8610616. Telex: 61170
Mng. Dir. U.K., Garry Thorne, 63 Long Acre, London WC2. Tel. 836-4802. Telex: 262009
Gen. Mgr. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt M. Tel. (069) 726755. Tlx 416721
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427175
S.A. au capital de 1.200.000 F. RCS Nanterre B 732021136. Commission Paritaire No. 61337
© 1991, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

صكذا من الاصل

صكناس الأصل

AFTERMATH: As U.S. forces wind up Gulf combat activity, talk in Washington turns to 1991 political combat.

The Associated Press

General Schwarzkopf, left, walking alongside an Iraqi commander before the start of their meeting Sunday in southern Iraq.

In a Whisper, Schwarzkopf Shows Who's Boss

International Herald Tribune

WASHINGTON — If there was any doubt about who was in charge of the allied truce team meeting at a desert air base inside Iraq on Sunday, U.S. Army General H. Norman Schwarzkopf dispelled it quickly, if inadvertently.

Twice, General Schwarzkopf whispered answers to his Saudi counterpart, Lieutenant General Khaled ibn Sultan, during questioning by journalists after the truce meeting ended.

After General Schwarzkopf, the allied commander, briefed the press, General Khalid, commander of Arab forces, was asked how many allied prisoners of war died in captivity.

Standing to the rear, General Schwarzkopf quickly leaned in and, apparently unaware that the microphone would pick up his words, whispered: "I would not answer that."

General Khaled promptly replied, "I cannot answer that precisely."

Asked how the allies intended to ensure Iraqi compliance with the truce terms, General Schwarzkopf again leaned toward the Saudi and whispered: "Don't go into the details."

The last question addressed to General Khaled concerned economic sanctions against Iraq. Before the Saudi could answer, General Schwarzkopf stepped to the microphone and said crisply: "That's a matter for the United Nations to determine."

The two generals smiled, shook hands and left.

1,405 Iraqis Captured on Kuwait Island

Compiled by Our Staff From Dispatches

RIYADH — U.S. forces took 1,405 Iraqi soldiers prisoner on Failaka Island off Kuwait and seized 20 aircraft at an Iraqi air base on Sunday, the U.S. military said.

A U.S. spokesman, Brigadier General Richard I. Neal, also said he hoped that there would be no more major battles after allied and Iraqi generals agreed to some terms for a permanent cease-fire at talks in southern Iraq on Sunday.

"We feel confident we shouldn't experience any more real significant problems," General Neal said. "But I would caution you that we are in our defensive positions and we are ready to transition to offense should the need require."

Helicopters ferried the Iraqi soldiers from the island to a U.S. warship and then to prison camps in Saudi Arabia. Among the prisoners was a brigadier general and 89 other officers.

During the ground offensive last week, allied forces did not try to retake the island, which guards the approach to Kuwait Bay.

Early Sunday, U.S. troops flew over the island in helicopters, telling Iraqis who wished to surrender to gather at a meeting point where they would be picked up, General Neal said.

"There was no sign of Iraqi opposition," he said.

General Neal said a Kuwaiti flag was raised over Failaka, but he said he was not sure whether any other troops were left on the island.

He said soldiers of the 82d Airborne Division searched Talil airfield in southern Iraq on Sunday and found 20 aircraft hidden in bunkers. There were five Mirage F-1s, six MiG-21s, one Su-22 fighter jet and eight helicopters.

On Saturday, the U.S. 3d Armored Cavalry took 53 Iraqi soldiers prisoner and captured three anti-aircraft guns, six artillery pieces, three rocket launchers and several tanks, General Neal said. He did not say where.

He said allied forces had taken more than 63,000 Iraqi prisoners in the war, about 800 of whom needed medical treatment. Two had died of malnutrition and dehydration, he added.

Also on Saturday, about 140 Iraqi tanks and armored vehicles were destroyed in a battle between U.S. forces and a retreating Iraqi armored unit.

Troops of the U.S. Army's 24th Infantry Division attacked with tanks and Apache helicopters after an Iraqi armored column, possibly lost and trying to cross the Euphrates River, opened fire on allied forces blocking a highway southwest of Basra, military officials said.

The officials said large numbers of prisoners were taken. U.S. forces suffered no casualties, they said.

U.S. officials, stressing that the Iraqi military command cannot communicate with its troops in the large area of southern Iraq now occupied by allied forces, said that the battlefield remains a dangerous and confusing place.

U.S. troops sifting through battlefield wreckage on Saturday treated wounded Iraqi soldiers found amid the ruined tanks and live mines.

In separate incidents, a U.S. Marine was killed and three were wounded when their vehicle struck a land mine. Another soldier was killed by shrapnel when a vehicle in front of him ran over a bomb or mine. *(Reuters, WP)*

ORDER: *Desert Storm Is Bringing Winds of Change*

(Continued from page 1)

this region of the collapse of Soviet rule in Eastern Europe 16 months ago. By turning down a coalition offer to join the military forces here — Saudi officials confirm that such an offer was made — the Soviets gave up their chance to affect the outcome. Soviet officials who argue that the Soviet Union has no choice but to cooperate with the United States, which is the course that Mikhail S. Gorbachev in the end chose, have been proved right.

Some fear that the conditions after the lightning victory over Iraq — an Arab nation of 19 million people — resemble 1919 more than they resemble 1945. The British foreign secretary, Douglas Hurd, pointed to these fears in Cairo recently when he insisted, "This is not 1919." He was arguing for the construction of a durable peace, unlike the illusory treaties that followed World War I and led to a new war in Europe and turmoil in the Middle East.

Woodrow Wilson went into World War I promising "peace without victory," to suggest that America was not bent on destroying Germany. But Wilson's peace process ended up unleashing the vindictive Versailles treaties and reparations acts that helped push Germany onto the road to an even bloodier war. The borders and much of today's conflict in the Middle East also grew out of the postwar settlements initiated at Versailles.

The war plunges the president and Mr. Baker deeply into the shifting sands of the Middle East, an unlikely base for something as *substantial* as a "new world order." Having earned the gratitude and respect of the Arabs they fought with, Americans will now learn that such closeness makes missteps costly in societies where problems are most often blamed on others, particularly outsiders.

The American Middle East agenda outlined by Mr. Baker in Capitol Hill testimony last month is almost as ambitious and lofty as Wilson's effort to bring self-determination to previously captive population groups. It is also risky.

The strongest resistance will come if Mr. Baker suggests that Middle East oil-producing states finance a regional development bank to help reconstruct Iraq. The Saudis, feeling a serious cash pinch because of the $60 billion the war and its aftermath will cost them, say Iraq has to be "rehabilitated," not "reconstructed." They insist that Iraq must pay reparations to Kuwait and to them. The spirit here is more like that of France at Versailles than the United States at Bretton Woods.

Nor are the Saudis keen to finance regional economic development for poorer Arab countries. The defection of Jordan, Yemen and the Palestinians to the Iraqi side has left an aversion to giving to other Arab states simply because they are Arab states.

"We gave Iraq $25 billion over the last eight years," said a senior prince. Other officials said that a total of $100 billion went to Arab comtries in the last two decades with very little to show.

"King Hnssein of Jordan should have built bakeries for his people instead of building palaces for himself," the Saudi prince said. "They won't get anything from us again except specific aid proposals we approve. And not much of that."

But at the moment, the Saudis see their strategic partnership with the United States reaching a new high point after decline and frequent misunderstanding in the late 1980s. Some officials here portray the war as initiating a new period of cooperation not only with the United States but with America's other friends in the region, perhaps including Israel.

Saudi officials see a postwar Arab political order dominated by the three important Arab countries that fought with the United States in Desert Storm — Saudi Arabia, Egypt and Syria.

The Egyptian-Saudi partnership will grow economically and militarily. The Saudi government circulated a memorandum to Saudi companies last month requiring that 10 percent of all foreign workers be Egyptians, according to a Saudi businessman. Egyptian soldiers will play a key role in the Arab Gulf force to be built around an expanded Saudi Army.

The Saudi postwar review will include a decision on whether there should be a U.S. military presence here. Royal family members believe Desert Storm has softened the traditional Islamic opposition to keeping contingents of Western and Arab forces here on a regular basis.

Syria may also station troops in Saudi Arabia as part of the Arab force. Although they have sought to keep their precise role in the war vague, Syrian troops did cross into Kuwait as a reserve force behind Egyptian and Saudi units, Saudi officials say. Riyadh accepts President Hafez Assad's assurances that, without a Soviet horse to ride, Syria is now eager to cooperate with pro-Western Arab governments and join in a movement toward peace with Israel.

Mr. Baker will also get an earful on Saudi Arabia's desire to relaunch the peace plan proposed by King Fahd in 1981, subsequently adopted at the Arab summit meeting in Fez, as a basis for Israeli-Palestinian peace. The unexpected twist will be that the Saudis will urge Mr. Baker to get the Israeli prime minister, Yitzhak Shamir, to come up with a more flexible version of the restrictive plan he proposed last year for Palestinian elections that would choose Palestinian representatives to talks on the status of the West Bank and Gaza strip.

A liberal version of the Shamir plan could solve one of Saudi Arabia's biggest problems, some Saudis say. An objective almost as urgent for them as removing Mr. Hussein is separating the Palestine Liberation Organization leader, Yasser Arafat, from the Palestinian movement. The Saudis apparently think that they and other Arab states could engineer the defeat of Mr. Arafat in free elections now.

In any event, Saudi officials say they will never again support Mr. Arafat or King Hussein. The kindest word Saudis use for the pair is "irrelevant."

In the frustrations and despair of the Palestinians, Yemenis, Jordanians and others who sided with Mr. Hussein lie the most immediate problems for building a "new world order" on the ground zero of this war. They are still capable of lashing out with terrorist acts against coalition interests when guards are lowered.

The overriding, and uplifting, lesson of Operation Desert Storm is clear. The international community, led by the United States, recognized a death dealer, a leader whose paranoia led him to commit atrocities on his neighbors that he had been free to commit on his own people for nearly two decades. The coalition dealt with him before he could strike out at the world at large through oil, terrorism and the weapons of mass destruction he was fabricating.

'Lock Solid' Spot in '92 For Quayle

Los Angeles Times Service

WASHINGTON — The Gulf war may have turned military generals into domestic heroes and redrawn the political map for 1992, but one thing is "lock solid": Vice President Dan Quayle's place on the Republican ticket, according to John H. Sununu, the White House chief of staff.

In a televised interview, Mr. Sununu dashed speculation that President George Bush might dump Mr. Quayle as his running mate next year and replace him with General Colin L. Powell, who as chairman of the Joint Chiefs of Staff presided over Operation Desert Storm.

General Powell "has indicated to a number of us that he'd like to be considered for another stint as chairman of the Joint Chiefs," Mr. Sununu said.

"A Bush-Quayle ticket is a lock-solid ticket in 1992," he added. "The president has made it clear on other occasions that it is a solid ticket."

Mr. Sununu said there had been no formal discussion of naming General Powell to another two-year term as chairman of the Joint Chiefs. "But I can't imagine that that would not happen," he said.

General Powell, 53, became chairman in October 1989. The term runs for two years with two renewal options, for a total limit of six years in office.

Defense Secretary Dick Cheney, in a separate interview, found himself addressing an even more remote political horizon: a possible Cheney-Powell or Powell-Cheney presidential ticket in 1996.

"Well, Colin and I'll sit down and have that debate in '95," Mr. Cheney said. "We haven't worried about it yet."

GULF: *The Timetable for the Allied Onslaught Was Fixed by President Bush in October*

(Continued from page 1)

and that his country would be crippled.

According to top officials, Tariq Aziz, the Iraqi foreign minister, told Secretary of State James A. Baker 3d at the end of their meeting in Geneva on Jan. 9:

"Your Arab allies will desert you. They will not kill other Arabs. Your alliance will crumble and you will be left lost in the desert. You don't know the desert because you have never ridden on a horse or a camel."

At 2 A.M. local time on Aug. 2, 80,000 troops from Iraq's Republican Guard pushed across the border with Kuwait and headed south toward Kuwait City, the emirate's capital.

The first intelligence reports reached Washington about a half-hour later, at around 6:30 P.M. Aug. 1, Eastern daylight time, as the invasion was occurring.

At 9:15 P.M., Kuwait's crown prince, Sheikh Saad al Abdullah as Salim as Sabah, telephoned the U.S. Embassy asking for immediate military help to stop the invasion but, worried about how this would be seen in the Arab world, he insisted that the request "not be made public or treated as official."

At 10:30 P.M. Washington time, the embassy got a second telephone call from Sheikh Saad.

Ignore the first request, the desperate Kuwaiti prime minister said. Now the government was "officially requesting help" and was willing to make it public.

But before an answer could be conveyed back to Sheikh Saad, he had dashed to Dasman Palace to pick up the emir, the country's ruler, and was heading south in the royal limousine to Saudi Arabia.

"We had told them all along, 'You can't ask us for help when your enemies are knocking on the palace door,'" a senior administration official said. "We just did not have the military assets in place."

Indeed, the nearest significant military help, the aircraft carrier Independence, was far away in the Indian Ocean.

The view in Washington was that for the time being "Kuwait was a goner," a senior official said. The whole focus of thinking was: How far south would the Iraqis move?

The first official contact with Saudi Arabia was made through the U.S. Embassy in Riyadh, where a senior diplomat asked what the kingdom wanted from the United States.

"The Saudis were a little flustered, a little scared," a senior official recalled. "They didn't know what they wanted."

The Pentagon offered to send a squadron of tactical fighter planes. "We'll get back to you," a senior Saudi official replied.

At 5 A.M., Brent Scowcroft, the president's national security adviser, presented Mr. Bush with the draft of orders to freeze all Iraqi and Kuwaiti assets in the United States.

Later, the president's senior advisers gathered in the Cabinet Room. During a brief photo session, Mr. Bush was asked by reporters whether the United States was prepared to intervene militarily.

"We're not discussing intervention," he said.

When the cameras left, the atmosphere was one of shock and frustration.

Mr. Bush wanted options, but there appeared to be few that could immediately reverse the Iraqi push into Kuwait.

Nevertheless, when Treasury Secretary Nicholas F. Brady began to lay out how the United States might adapt to expected higher oil prices, Mr. Bush interjected, according to a senior official:

"Let's be clear about one thing: We are not here to talk about adapting. We are not going to plan how to live with this."

Only a few days earlier, Mr. Bush's then-friend, King Hussein of Jordan, had told him "absolutely not," when the president asked if Iraq would invade Kuwait, an official said.

When the National Security Council reconvened on Friday, Aug. 3, General Scowcroft opened the meeting with a strong admonition that the discussion of options would be based on the recognition that Iraq's invasion was unacceptable and, if allowed to stand, would fundamentally alter the balance of power in a vital part of the world.

Defense Secretary Dick Cheney, initially annoyed by a reticence among uniformed officers to provide concrete choices, brought General Schwarzkopf to explain the Pentagon's updated plan to use troops in a crisis in the Gulf.

It called for more than two divisions of ground troops, about 700 combat aircraft and a big naval flotilla.

"I remember the body language when Norm talked about the 140,000 troops," a senior official said. "Good God, that's a lot of people" was the expression on some faces, he said.

Mr. Bush, however, focused on the principal obstacle to such a troop movement — the Saudis.

He had telephoned King Fahd and assured him that the United States would stand by Saudi Arabia, and he directed Secretary Cheney and General Colin L. Powell, the chairman of the Joint Chiefs of Staff, to brief the Saudi ambassador, Prince Bandar ibn Sultan, on the threat and on the troop plan.

Convinced that the sending of troops was the right course, Prince Bandar recommended that a high-level envoy fly to Saudi Arabia to convince King Fahd, who would have to make a quick decision.

The deliberations moved to Camp David on Saturday.

General Schwarzkopf took Mr. Bush and his aides through a series of charts depicting the full plan to move troops to the Gulf.

"This is what it will take to defend Saudi Arabia," the general said. Then, flipping to a final chart depicting an even larger use of troops, he added, "And if you want to liberate Kuwait, this is what it will take."

'Let's be clear about one thing: We are not here to talk about adapting. We are not going to plan how to live with this.'

President Bush, the day of the Iraqi invasion of Kuwait

Although the group was focused on the immediate problem of defense, General Schwarzkopf had introduced the concept of offense from the very beginning.

Mr. Bush and his advisers debated who should go to Jidda, the royal capital, and whether a high-level mission would run the risk of disastrous recriminations if the Saudis could not make up their minds.

In the midst of the talks, Mr. Bush received a telephone call from President Hosni Mubarak of Egypt, who said he had an authoritative report that the Saudis had decided not to accept U.S. forces.

Mr. Bush telephoned King Fahd to sound him out, without mentioning the Mubarak call.

The king delayed in accepting a visit from Mr. Cheney. He wondered whether a delegation of technical experts might not be better.

Mr. Bush offered General Schwarzkopf, but continued to push Secretary Cheney as the head of the mission, because if the king decided to receive an envoy of his level, it would be more difficult for him to say no.

King Fahd delayed 14 hours before agreeing to see Mr. Cheney. In the ornate Red Sea palace at Jidda, Mr. Cheney delivered his brief and then watched as the king and his brother spoke in Arabic to express some of their ambivalent feelings about the Kuwaitis.

"We have to do this, what will happen to Kuwait?" King Fahd said to Crown Prince Abdullah, according to one of the Arabic-speaking Westerners present.

"There is still a Kuwait," responded Prince Abdullah, the king's brother.

"Yes, but the entire population is living in our hotel rooms!" the king shot back.

Saudi Arabia was on board, as long as the Americans agreed in writing to leave when the threat passed and to get Saudi approval before initiating any offensive military action.

The dimensions of the planned military buildup were closely held by Mr. Bush and his inner circle.

A senior White House aide scoffed at a published report in mid-August that the U.S. force strength could reach 200,000.

Reports of atrocities in Kuwait and Iraq's mistreatment of Western hostages, including their use as "human shields" at military and industrial installations, created tension among policymakers — between a strategy of waiting out the Iraqis and taking the initiative to eject them.

"There was a sense of drift," a senior administration official said. "Saddam seemed to have the initiative. We felt we had to do something to get it back."

Mr. Bush pressed the Pentagon to develop the offensive military options, but General Schwarzkopf protested that he did not have his defensive forces in place yet, and the Iraqis were still pouring more troops into Kuwait.

Rushed as it was, the first offensive plan — presented early in October to Secretary Cheney, General Powell and the Joint Chiefs of Staff in a Pentagon conference room known as "the tank" — was an unimaginative "up the middle" through the Iraqi front lines "right smack into his strength," as a senior official put it.

Over the next few weeks, General Schwarzkopf sent back a plan to conduct a flanking attack around Iraq's front line, a more imaginative approach, but Mr. Cheney and General Powell agreed with the commander's assessment that there were not enough allied forces to conduct such an attack while also preventing the Iraqi Army from coming south.

U.S. officials said their initial dispatch of 180,000 troops would have given them both defensive and offensive options if the level of Iraqi forces in the region remained at 100,000.

But as the Iraqi force climbed to 430,000 by the end of October, the United States had to match this to maintain a credible offensive option.

General Powell told General Schwarzkopf to state his full military requirements to drive the Iraqi Army out of Kuwait, and he flew to Saudi Arabia on Oct. 21 to discuss the plan and its timetable and brought it back to Mr. Cheney.

When the Pentagon leaders took the plan to the White House on Oct. 30, it called for a timetable to begin a large-scale bombing campaign against Iraq in mid-January followed by a ground campaign late in February.

The plan required almost doubling the 200,000 U.S. forces in the Gulf in little over three months, with a major call-up of the reserves.

In the two-hour meeting, Mr. Bush made two fundamental decisions: first, to set in motion the machinery for a midwinter war against the Iraqi Army and, second, to win a UN mandate for that war. To that end, he dispatched Mr. Baker on a round-the-world tour to round up support for a Security Council resolution authorizing the use of force.

General Powell, Secretary Cheney, General Scowcroft, Secretary Baker and President Bush all felt there was a reasonable chance that the enormous mobilization of U.S. military power, combined with the setting of a deadline, might be enough to scare President Hussein into leaving Kuwait, officials said.

Mr. Cheney's nightmare was that President Hussein would find more troops to send to the front to force another round of escalation.

Mr. Bush showed no hesitation in making the decision to increase troop strength, but decided to keep it secret until Nov. 8. Why?

"Nov. 8 was a very important date because it was after Nov. 6," a White House official said, referring to the election.

The troop increase sent a shudder through both the alliance and among many Americans.

A senior White House official said: "Shortly after we announced the increase in troop strength, we got a sharp reaction from Capitol Hill, and the press was saying that nobody knows why we are there, and it looked like we had a big domestic problem."

It was during this period, aides say, that the president began thinking about "going the extra mile to avert a war" by offering to send Mr. Baker to Baghdad and inviting Foreign Minister Aziz to Washington — a move he announced immediately after the UN Security Council vote on Nov. 29 sanctioning the use of force if Iraqi troops were not out of Kuwait by Jan. 15.

If there was a last chance to avert war, it was on Jan. 9, when Mr. Baker met Mr. Aziz in Geneva.

At the time, Mr. Bush was meeting with a group of 15 members of Congress, and those present say that as the Geneva meeting resumed and stretched to six hours, Mr. Bush seemed cautiously optimistic that a deal might be in the works. Then came a final call from Mr. Baker.

"The president excused himself to take the call and was gone for about eight minutes," said Representative Mel Levine, Democrat from California.

"When he came back, our conversation stopped. The president's whole demeanor had changed. He was somber and grim. You could see it all over his face. He looked at us and said two words: 'No progress.' I felt it was a defining moment. He was a different man. When we asked why the meeting had lasted so long, he simply said: 'History.'"

This was apparently a reference to Mr. Aziz's long recitation of Iraqi and Arab grievances with the United States. That was not the Iraqi's official's only complaint, though. He also laid into the Soviet Union.

"We don't have a patron anymore," Mr. Aziz complained to Mr. Baker. "If we still had the Soviets as our patron, none of this would have happened. They would have vetoed every UN resolution."

Mr. Baker warned Mr. Aziz during their session that a war with the United States would not be like Iraq's war with Iran.

Mr. Aziz came back with his prediction that the Arab allies would abandon the United States and that in any event the desert would defeat the Western armies.

After the Baker-Aziz meeting, all of the president's advisers agreed that war was now inevitable.

Reporting for this article was also done by Maureen Dowd, Michael R. Gordon, Judith Miller and Andrew Rosenthal.

TOMORROW: Placating the Israelis

TERROR: *U.S. Got Syria's Help*

(Continued from page 1)

special operations inside their countries that were aimed at dismantling Iraqi spy networks. "Our own people in a variety of countries performed disruptive activities, working to break up possible operations before they were launched," a senior Bush administration official said.

Although there was a dramatic increase in the number of incidents labeled as terrorist-related in the last six weeks, intelligence experts said they were largely considered minor free-lance operations, rather than the major, state-sponsored attacks that were feared.

The hub of the U.S. government's largely secret war against international terrorism is at Central Intelligence Agency headquarters in Langley, Virginia, where analysts sort through information provided by more than a dozen federal agencies, including the FBI, the international police liaison system Interpol and various friendly intelligence services.

In a Jan. 18 briefing, officials told the Senate Permanent Select Committee on Intelligence that Iraq had transformed its worldwide intelligence service into a terrorist-support enterprise that was linking up with established terrorist groups. "Saddam has put in place a network involving some of the most sophisticated terrorist organizations in the world," the committee chairman, Senator David L. Boren, Democrat of Oklahoma, said after the briefing.

The next day, the thesis became more real when an Iraqi was killed in the Philippines by a bomb that was apparently intended for use against a U.S. target. Two Iraqi diplomats soon were implicated in the bungled attack, including the second-ranking official in the embassy, who was expelled by the Philippine government.

The U.S. intelligence community is rarely certain how much influence a single government can have on a terrorist organization, but there is agreement that Syria made a difference.

An official who is regularly briefed on intelligence matters said U.S. intelligence also detected indications that Iran enforced a similar ban on the groups it controls.

"I don't think the Iranians found it in their interests to undertake terrorism against the coalition," said a second official involved in overseeing U.S. counterterrorism efforts.

The third likely sponsor in the region, Colonel Moammar Gadhafi of Libya, received stern private warnings about terrorism shortly before the invasion, in connection with an incident apparently unrelated to the Gulf situation.

"We read Gadhafi the riot act," said the official, who asserted that the Libyan leader understood that allied military forces in the Gulf could be readily redirected against Libya if a terrorist action were traced back to Tripoli.

Officials have no clear picture of what the future holds.

"This is not over," a CIA spokesman said. "It is very possible we will see terrorism in the postwar era."

Gulf Notes

■ **Mayor David N. Dinkins** announced Sunday that New York would welcome troops home from the war with the biggest ticker-tape parade in its history. "It will be a massive effort," Mr. Dinkins said at a news conference. *(Reuters)*

■ **Delft Instruments NV**, the Dutch company accused of selling American night vision equipment to Iraq, has acknowledged that it made two shipments of the devices to Iraq and a third to Jordan, all in violation of American export regulations. One of the Iraqi shipments was made after the United Nations imposed a trade embargo on Iraq. With the disclosure, Delft said it was appealing to U.S. officials to lift the restrictions placed last week on shipments of products to Delft and its subsidiaries. *(WP)*

■ **Italy plans** to donate between 400 billion and 500 billion lire ($348 million and $435 million) to the United States for postwar expenses, Foreign Minister Gianni De Michelis told the Rome daily Repubblica over the weekend. He said he would announce the contribution to Secretary of State James A. Baker 3d at a meeting in Washington on Monday. *(Reuters)*

Serge Gainsbourg, Songwriter, Dies

Compiled by Our Staff From Dispatches

PARIS — Serge Gainsbourg, 62, the singer and songwriter known for his image of unshaven decadence and his songs full of provocative, sometimes tender lyrics, died Saturday at his home, officials said.

Doctors said the singer apparently died of "natural causes." They did not elaborate. Mr. Gainsbourg, a chain-smoker and a heavy drinker, underwent a liver operation in April 1989. He was hospitalized again six months later with heart trouble.

Mr. Gainsbourg wrote and sang dozens of songs. He was among the best-known French pop stars, though few of his songs were played widely outside France.

In the early 1980s, he was threatened by far-right groups for producing a reggae version of the French national anthem, the Marseillaise, and on another occasion he was criticized for burning a 500-franc note — worth around $100 — during a live television show.

Mr. Gainsbourg appeared in some 20 films, including "Je Vous Aime" with Catherine Deneuve. He recently made a movie, "Charlotte Forever," with his daughter.

Rarely seen in public without a cigarette in his hand and three days of stubble on his chin, Mr. Gainsbourg had been warned by doctors to stop smoking and drinking if he wanted to live. But he recently told an interviewer that although he had managed to stop drinking, he regretted the resulting lucidity. *(AP, AFP, Reuters)*

Clark R. Mollenhoff, 69, Reporter and Nixon Aide

WASHINGTON (NYT) — Clark R. Mollenhoff, 69, a Pulitzer Prize-winning reporter, author and syndicated Washington columnist who served briefly as a special counsel to President Richard Nixon, died of cancer Saturday in Lexington, Virginia.

Mr. Mollenhoff, whose reporting exposed labor rackets, influence-peddling and wrongdoing in government, won the 1958 Pulitzer Prize for national reporting for The Des Moines Register for his inquiries into corrupt labor practices, including those that sent Jimmy Hoffa, the president of the Teamsters Union, to jail.

Muslim Clerics Affirm Rushdie Death Order

Agence France-Presse

TEHRAN — Participants in an international conference of Muslim leaders and scholars have refused to lift the death sentence on the novelist Salman Rushdie, warning that the two-year-old order was "irrevocable," Tehran radio said.

The pronouncement Saturday came at the start of a two-day meeting of Iranian and foreign religious leaders.

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Securities, London, Tel: 01 323 11 30. Prices may vary according to market conditions and other factors. March 1

Dollar Straights

Governments/ Supranationals

Issuer	Cpn	Mat	Price	Yld	Spd Trsy
AIDC	8⅝	96	98¼	8.78	+96
Asian Dev Bk	11¼	93	108¼	8.17	+84
Asian Dev Bk	8	96	96½	8.79	+90
Asian Dev Bk	9¼	99	105¼	8.93	+86
Austra Wheat	9½	93	103.050	8.21	+85
Australia	11½	95	110¼	8.68	+95
Australia	11	95	108¼	8.57	+91
Australia	11⅝	98	114	8.99	+94
Australia	11¼	00	109½	8.84	+119
Austri Control	9¼	93	100⅞	7.64	+47
Austri Control	9¼	94	103⅝	7.93	+46
Austri Control	12	94	110¾	8.50	+97
Austri Control	9	95	103⅛	8.11	+41
Austri Control	9½	00	102⅜	8.69	+57
Austri Control	8½	01	98⅝	8.69	+54
Austri Postspa	10½	94	106	8.53	+80
Austria	10	98	105½	8.93	+90
Austria	11¼	95	108¾	8.49	+89
Austria	9⅝	93	103	7.96	+79
Austria	9⅝	94	102¼	8.22	+73
Austria	7¼	96	96¼	8.67	+86
Austria	9⅛	96	102¼	8.68	+85
Austria	7¼	97	97⅜	8.27	+36
Austria	8⅝	00	99⅞	8.64	+54
Austria	8½	00	99⅝	8.64	+54
Austria	8¼	03	98⅜	8.76	+59
Austria	9½	06	104¼	8.97	+78
BC Hydro	11¾	93	107¾	8.27	+96
BFCE	7¼	93	99	7.74	+57
BFCE	8⅝	94	101¼	7.92	+42
BFCE	9¼	95	103⅞	8.19	+44
BFCE	9¼	96	104¼	8.67	+87
BFCE	7⅞	96	98¼	8.28	+43
BFCE	7¼	97	97⅝	8.27	+36
Belgium	8½	93	101½	7.65	+49
Belgium 2	8¼	93	101.050	7.70	+47
Belgium	9⅝	98	104⅝	8.68	+65
Belgium	10	95	102¼	8.94	+71
Belgium	8	97	98½	8.34	+44
CAECL	9⅝	95	102⅞	8.59	+88
CBA	10	93	103¼	8.33	+101
CBA	9¼	93	102	8.30	+101
CCCE	11⅝	97	109	9.00	+137
CCCE	12⅝	95	110½	9.20	+162
CCCE	9¼	95	103⅝	8.09	+47
CCCE	8⅝	99	100⅝	8.63	+55
CEPME	7¾	96	96	8.73	+92
CNE	11⅝	95	110½	8.48	+87
CNT	8½	93	101	7.91	+76
Canada Treas	10	95	106⅛	8.22	+48
Canada Treas	9	96	103⅝	8.09	+30
Council Europe	8¼	94	100¼	8.46	+96
Council Europe	9⅝	96	104⅛	8.33	+54
Council Europe	8	96	98⅛	8.30	+46
Cr Foncier	7½	94	99⅜	7.77	+41
Cr Foncier	9¼	95	103⅞	8.19	+46
Cr Foncier	9½	99	104⅞	8.42	+56
Cr Natl	8⅝	93	101½	7.65	+46
Danish Exp Fin	10⅝	95	104⅝	9.31	+156
Denmark	11½	93	107½	8.33	+98
Denmark	7¼	93	100⅛	7.65	+45
Denmark	7¼	93	98¼	8.11	+89
Denmark	8¼	94	99½	8.39	+89
Denmark	9¼	95	103½	8.22	+60
Denmark	9⅝	95	101¼	8.48	+87
Denmark	7⅝	96	97½	8.76	+90
Denmark Mtg	13	93	108¼	8.89	+95
Denmark Mtg	9¼	93	103⅝	8.25	+95
Donaukraftw	11¾	93	106½	8.03	+87
ECSC	9	95	100	8.98	+131
ECSC	9⅝	96	101½	8.97	+120
ECSC	8¼	97	98¼	9.04	+107
ECSC	9½	98	103½	8.83	+79
ECSC	9	99	99	9.18	+112
ECSC Tr A	8¼	96	99⅞	8.27	+39
EDC	9½	98	104⅝	8.55	+52
EDF	8⅝	00	99⅜	8.72	+61
EDF	11⅝	93	105⅝	8.08	+88
EDF	7¾	93	100	7.72	+38
EDF	9⅝	95	103½	8.52	+80
EDF	9⅝	98	104⅜	8.58	+54
EDF	9	98	102⅝	8.49	+47
EDF	9½	99	104⅝	8.64	+58
EDF	7⅝	06	89½	9.18	+98
EEC	8	10	100⅛	7.55	+42
EEC	10⅝	93	103½	8.79	+162
EEC	11½	95	105½	8.84	+159
EEC	12⅝	98	110	8.55	+121
EEC	7¼	93	99⅞	7.61	+45
EEC	8¼	93	100⅞	7.83	+57
EEC	8⅛	96	100⅛	8.20	+37
EEC	9⅛	96	102	8.61	+82
EEC Dec	12	93	109	8.20	+66
EEC Oct	12	93	109½	7.73	+43
EIB	11¼	93	109¼	7.57	+51
EIB	11⅛	95	108½	8.40	+78
EIB	11½	98	121	8.99	+93
EIB	12⅝	94	112¼	8.17	+74
EIB	12	95	110	8.10	+45
EIB	9¼	95	104	8.10	+48
EIB	7½	93	100	7.64	+32
EIB	8⅝	96	100¼	8.15	+32
EIB	9½	97	104	8.49	+53
EIB	7¼	97	103⅞	8.53	+54
EIB	9½	99	104⅝	8.85	+83
EIB	9	97	101½	8.73	+80
EIB	8½	99	100	8.50	+47
EIB	9⅛	99	104¼	8.64	+58
EIB	9¼	00	104½	8.87	+65
EIB 'A'	7⅝	93	99⅝	7.69	+34
EIB Tr C	8¼	97	97¼	8.53	+54
Euratom	7¾	93	97½	8.76	+86
Eurofima	10⅝	93	103¾	8.31	+85
Eurofima	10	95	110	8.46	+120
Eurofima	9¾	96	102½	8.11	+67
Eurofima	9¼	96	102¼	8.61	+82
Eurofima	7⅝	97	96¼	8.70	+80
Exim Bk Jap	9⅝	95	98.050	8.67	+53
Exp Imp Jap	10⅝	95	103¼	8.53	+58
Exp Imp Jap	8½	95	100⅞	8.53	+48
Exp Imp Jap	8⅝	95	100⅝	8.43	+78
Exp Imp Jap	9⅝	96	106.025	8.68	+61
Exp Imp Jap	9¼	99	104⅝	8.68	+62
Exp Imp Jap	9½	00	104⅝	8.73	+61
Exp Imp Jap	8	00	97	8.45	+65
Exportfin	10	96	107½	7.72	+153
Exportfin	7⅝	93	99⅛	8.16	+88
Exportfin	7¾	94	98⅛	8.24	+102
Exportfin	7⅝	93	98½	8.23	+88
Exportfin	7¼	96	97⅜	8.38	+50
FDB	8⅝	93	101½	7.88	+73
FHLB Bear	7¼	94	98¼	8.50	+67
Farm Credit	11⅜	93	107⅛	8.28	+84
Farm Credit	7½	93	98½	8.11	+79
Farm Credit	7⅝	96	96¼	8.20	+48
Ferrovie Stato	8½	93	101¼	7.58	+39
Ferrovie Stato	9⅝	09	102½	8.85	+62
Fin Exp Cr	10¼	96	105	8.38	+93
Fin Exp Cr	8⅝	93	101⅞	7.97	+62
Fin Exp Cr	9⅝	95	103⅝	8.40	+67
Finland	12⅝	94	111½	8.46	+90
Finland	7½	93	98½	8.15	+87
Finland	9	96	102⅝	8.40	+58
Finland	7⅝	96	95¼	8.73	+87
Finland	7⅝	97	96	8.77	+87
Finland Tr A	9	96	102½	8.40	+58
Gef Co	7⅝	97	96⅝	8.29	+88
Hungary Dev	10½	08	98½	10.74	+261
IADB	10½	95	107⅝	8.32	+61
IADB	9⅝	95	105⅝	8.35	+60
IADB	8⅝	95	100¼	8.30	+54
IADB	7⅝	96	96⅜	8.39	+53
IADB	9⅝	00	104½	8.75	+64
Ind Dev Bk Ind	10	96	98½	10.36	+254
Interfin Co	8¼	93	100½	7.97	+78
Interfin Co	9¼	95	103⅝	8.18	+52
Interfin Co	8⅝	96	101½	8.36	+53
Interfin Cred	7⅝	93	99	8.11	+89
Intl Fin Co	8⅛	98	98⅝	8.58	+56
Ireland	9⅝	94	101¼	8.93	+113
Ireland	8½	00	101½	9.24	+113
Italy	9	93	102⅞	7.59	+33
Italy	8½	94	101¼	8.08	+53
Italy	9½	95	104½	8.27	+53
Italy	9⅝	96	101⅝	8.68	+89
Italy	9⅝	97	103⅝	8.57	+65
Italy	9⅝	99	104½	8.82	+75
Italy	8¼	01	99½	8.82	+67
JFM	7⅝	96	95½	8.71	+89
Jap Airl	10⅝	98	105½	9.28	+156
Jap Airl	11	93	103	8.44	+150
Jap Airl	11	97	106½	9.37	+155
Jap Airl	12½	94	111¼	8.35	+90
Jap Airl	13¾	94	114	8.42	+93
Jap Airl	8½	96	97½	8.75	+95
Jap Airl	8½	96	97¼	8.74	+85
Jap Airl	8	96	97	8.72	+89
Jap Dev Bk	10	96	106½	8.29	+57
Jap Dev Bk	9⅝	93	104.025	7.83	+52
Jap Dev Bk	8	94	100⅝	7.93	+48
Jap Dev Bk	8⅝	94	102⅝	7.98	+48
Jap Dev Bk	9⅝	95	102¼	8.23	+58
Jap Dev Bk	8⅝	95	101⅝	8.11	+50
Jap Dev Bk	8½	96	99½	8.69	+89
Jap Dev Bk	8⅝	96	101.050	8.37	+60
Jap Dev Bk	9½	97	104¼	8.58	+56
Jap Dev Bk	9⅝	97	103⅜	8.52	+58
Jap Dev Bk	8⅝	01	98.050	8.67	+52
Jap Fin Corp	10½	95	106⅝	8.67	+52
Jap Fin Corp	9⅝	95	104⅞	8.14	+52
Jap Fin Corp	9⅝	96	105⅝	8.36	+57
Jap Fin Corp	9⅝	96	106½	8.71	+64
Jap Fin Corp	9⅝	00	106½	8.60	+52
Jap Highway	7⅝	96	95½	8.71	+80
Jap Highway	9⅝	96	104⅝	8.35	+56
Jap Highway	9½	00	104⅝	8.71	+57
Jap Highway	9⅝	00	106⅝	8.70	+75
Jap Highways	8⅝	96	102.050	8.39	+55
Kansai Int Air	9	96	101	8.75	+88
Kansai Int Air	9½	97	104½	8.54	+57
Kobe City	8⅝	99	100⅝	8.47	+73
Kobe City	9¼	00	102¼	8.87	+73
Malaysia	9¼	96	100⅝	9.42	+155
Manitoba	12½	94	111¼	8.48	+114
Manitoba	7½	96	94	8.98	+116
Metro Tokyo	12⅝	94	112½	8.45	+94
Metro Tokyo	10⅝	95	105½	8.65	+98
Metro Tokyo	9⅝	93	102⅝	7.76	+50
Metro Tokyo	9½	93	103	7.66	+54
Metro Tokyo	9⅝	94	102½	7.98	+49
Metro Tokyo	9⅝	95	103¼	8.20	+52
Metro Tokyo	9⅝	96	99¾	8.40	+53
N Brunswick	8¼	96	95¼	9.07	+127
NIB	7½	93	99⅛	8.16	+88
NIB	8⅝	93	102⅝	7.94	+60
NIB	9	93	102¾	8.13	+89
NIB	8⅝	93	101½	8.10	+93
New Zealand	8	93	99½	8.22	+99
New Zealand	8½	93	100½	8.20	+105
New Zealand	8⅝	94	100	8.34	+106
New Zealand	9	94	101⅝	8.37	+86
New Zealand	8	97	96½	8.85	+94
New Zealand B	10½	00	105	9.65	+152
Newfoundland	11⅝	95	108	8.91	+129
Nip T&T	9	95	103¼	8.62	+87
Norg Kamm Bk	8	94	98¼	8.54	+96
Norg Kamm Bk	7⅝	97	95¼	8.89	+96
Norway	8⅝	93	102⅝	7.54	+38
Nova Scotia	11⅝	98	107	8.83	+169
OCCH	8½	93	101	7.94	+77
Oil & Nat Gas	9⅝	93	99	10.15	+282
Oil & Nat Gas	10	97	98	10.46	+255
Ontario Hydro	11⅝	94	108⅛	8.32	+93
Ontario Prov	8½	01	97⅞	8.83	+66
Osaka Prefect	9⅝	93	103¼	7.84	+56
Osaka Prefect	10⅝	94	105¼	8.46	+90
Osaka Prefect	8½	95	101½	8.03	+52
Oslo	7⅝	97	95½	8.88	+98
Oslo	9⅝	98	101	9.05	+103
Petro-Canada	9⅝	95	94½	8.60	+78
Prov Alberta	9⅝	95	103¼	8.36	+63
Prov Alberta	8⅝	96	100⅝	8.44	+56
Qantas	10⅝	95	104½	8.52	+84
Qantas	9⅝	96	104⅝	8.59	+85
Qantas	8⅝	96	99⅝	8.67	+87
Qantas	9⅝	96	102⅝	8.99	+89
Quebec Hydro	9½	98	102⅝	9.00	+96
Quebec Hydro	9	01	97⅝	9.14	+89
Quebec Prov	12⅝	93	113	8.29	+105
Quebec Prov	10	95	103⅝	8.54	+86
Quebec Prov	9⅝	95	101	9.31	+138
Quebec Prov	9	98	101½	8.69	+67
Quebec Prov	9⅝	98	102¼	9.78	+150
Queensland	10½	95	105	8.81	+111
Rural Bk NZ	7½	96	100	8.44	+106

هكذا من الأصل

Herald International Tribune

BUSINESS/FINANCE

MONDAY, MARCH 4, 1991 ** Page 7

BONDS

Market for Junk Rallies As Speculators Jump In

By Tom Petruno
Los Angeles Times Service

LOS ANGELES — The corporate junk bond market scored its biggest monthly gain in at least a decade in February, as speculative money poured into the high-yield issues. The First Boston Corp. index of 350 junk bonds posted a total return of approximately 8.6 percent for the month, the firm said. That followed a total return of 2.7 percent in January, bringing the year-to-date gain to 11.6 percent.

In contrast, the Dow Jones industrial average has risen 9.4 percent so far this year. So junk is handily beating the Dow's mini bull market. Other brokerages' junk bond indexes show varying returns for February, but the trend in every case is dramatically higher.

The 11.6 percent average total return so far this year — a combination of interest earned on the bonds and their change in price during the period — contrasts with a negative total return of 6.4 percent for all of 1990. Junk bond prices plunged last year as investors saw the unfolding recession as a death blow for many heavily indebted companies.

Buyers believe junk bonds will soar as it becomes clearer that the companies will survive.

Now some buyers believe that the recession is nearing an end and that many junk companies will see their bonds soar in value as it becomes clearer that the companies will survive — and thus that they will continue paying the high interest on their bonds.

"The attitude had been, if any (company) had problems, it was going under," says David Feinman, a junk bond trader at brokerage Jefferies & Co. in Los Angeles. "Now the attitude is, if any company has a shot, it's going to make it."

But junk bond experts warn that, despite the intensity of the rally, most of the buyers so far are short-term speculators, or "hot money" players — not long-term investors. It's dangerously premature to assume that junk bonds are in a sustained recovery from their three-year depression, experts say, because the speculators could bolt the market at any moment.

BILL VERONDA, WHO MANAGES the Financial Programs High-Yield bond mutual fund in Denver, has seen his fund mushroom to $49 million from $39 million a few months ago. "It's all hot money — I know them by name," says Mr. Veronda. "There is no meaningful component of long-term investors buying now."

At Fidelity Investments in Boston, spokesman Neal Litvack describes the doubling of the firm's Spartan High Income bond mutual fund assets, to $40 million this month, as a product of "the hottest of the hot money."

Mr. Feinman at Jefferies & Co. says the rally's tentative nature is evident in the buying patterns of bond mutual fund managers. Forced to put their sudden cash inflows to work, they're buying only the top junk bonds, such as issues from debt-heavy yet still healthy firms like RJR Nabisco and Duracell, Mr. Feinman says. That way, if the hot money turns and runs, the bonds can be sold with relative ease.

The junk bonds that gained the most in February were the most speculative types, such as zero-coupon bonds and bonds that are in default.

The message here is that investors who are thinking about buying junk bonds for the long haul — on the assumption that the bonds have bottomed — still are in the minority. So the bonds' prices are at the mercy of the speculators, who might decide to make a capital gain of 20 percent or so and then exit in a hurry.

Likewise, investors who have been stuck in a junk bond mutual fund and hope to sell if they get back to even may get their chance soon. But the opportunity could come and go in a flash if the economy in fact doesn't emerge from recession soon after the end of the Gulf war. Another surge of corporate bankruptcies could cause junk players to abandon all hope.

Even so, some junk analysts say investors shouldn't underestimate the force of the rally thus far — and how much further it may run. Joseph Bencivenga, high-yield-bond chief at Salomon Brothers in New York, notes that the junk market has rallied even as the Federal Deposit Insurance Corp. has been dumping $150 million a week in junk bonds owned by now-defunct S&Ls.

A number of big junk issuers also have become takeover targets recently, and the acquirers have offered substantially more for the targets' junk bonds than what the market assumed was likely, Mr. Bencivenga notes. Hasbro Inc.'s planned purchase of troubled Tonka Corp. is a good example of that. And rumors last week that Procter & Gamble is planning to buy debt-heavy Revlon Inc. sent Revlon's bonds soaring.

CURRENCY RATES

Cross Rates

March 1

	$	£	D.M.	F.F.	Lire	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.725	3.388	1.227	0.3288	0.1507 *	—	5.4735 *	1.2004	1.2865 *	1.486	1.8887 *
Brussels	31.625	62.0675	22.5055	6.0405	2.7649 *	18.372	—	22.705	0.2252	27.245	33.865 *
Frankfort	1.5365	2.918	—	0.2704	0.1238 *	0.8872	4.857 *	1.133	1.1435 *	1.3242	1.656 *
London (a)	1.9615	—	2.914	0.5371	2.1772.60	3.2865	62.65	2.5225	255.325	2.1972	181.38
Madrid	95.271	181.82	62.371	16.36	8.236 *	55.288	3.026	71.845	71.285 *	10.16	—
Milan	1,149.36	2,183.36	747.76	219.45	—	663.20	36.202	865.38	3.59	998.20	11,990
New York (b)	—	1.8955 a	1.5371	0.3413	1,151.00	1.2045	31.625	1.286	134.60	1.1525	135.385
Paris	5.238	9.948	3.407	—	0.4558 *	3.3228	0.1652	2.3775	2.8855 *	4.344	5.468 *
Tokyo	133.25	254.77	87.28	25.89	0.1771	77.25	4.3965	100.79	—	110.98	1.4048
Toronto	1.152	2.1965	0.7489	0.2198	1.882 *	0.6648	3.649 *	0.8632	0.8556 *	—	1.286 *
Zurich	1.337	2.555	0.8679	0.2563	0.7156 *	0.7688	4.1971 *	—	0.9881 *	1.152	1.3876 *
1 ECU	1.3344	0.7022	2.2834	6.6951	1,622.68	2.3171	42.2249	1.7788	179.288	1.5344	232.226
1 SDR	1.4186	0.7468	2.4272	7.1186	1,820.04	2.465	44.934	1.8792	187.167	1.6335	235.821

Closings in Amsterdam, London and Zurich, fixings in other centers. New York closing rates; and Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	18040.	Greek. drac.	166.05	Mex. peso	2968.50	S. Afr. rand	2.584
Austral. $	1.2894	Hong Kong $	7.793	N. Zealand $	1.6466	Soviet ruble*	0.5564
Austr. schil.	10.91	Indian rupee	19.12	Norw. krone	6.007	Swed. krona	5.7065
Brazil cruz.	224.75	Indo. rupiah	1885.01	Phil. peso	27.72	Taiwan $	26.67
Chilean peso*	5.2221	Irish $	0.6752	Port. escudo	134.52	Thai baht	25.21
Danish krone	5.982	Israeli shek.	1.9764	Saudi riyal	3.7503	Turkish lira	3297.00
Egypt. pound	2.9137	Kuwaiti dinar	n.a.	Sing. $	1.7305	UAE dirham	3.6728
Fin. markka	3.494	Malay. ring.	2.7248	S. Kor. won	724.00	Venez. bolív.	51.96

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.9711	1.9519	1.9743	Canadian dollar	1.1544	1.1573	1.1598
Deutsche mark	1.5270	1.5397	1.5428	Japanese yen	134.47	134.62	134.70
Swiss franc	1.2381	1.2317	1.2328				

Sources: NMB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes

United States	March 1	Feb. 22	Chge
DJ Indus.	2,909.90	2,889.36	+0.71 %
DJ Util.	213.34	215.35	—0.93 %
DJ Trans.	1,150.74	1,125.36	+2.26 %
S & P 100	351.47	344.41	+1.46 %
S & P 500	370.47	365.45	+1.37 %
S & P Ind	438.58	432.57	+1.39 %
NYSE Cp	208.40	199.65	+1.38 %
Britain			
FTSE 100	2,386.90	2,314.30	+3.14 %
FT 30	1,917.50	1,844.10	+3.98 %
Japan			
Nikkei 225	25,082.	25,903.	—3.08 %
West Germany			
DAX	1,516.74	1,582.52	—4.16 %
Hong Kong			
Hang Seng	3,552.37	3,475.34	+2.22 %
World			
MSCIP	520.60	517.30	+0.64 %

World Index From Morgan Stanley Capital Int'l.

Money Rates

United States	March 1	Feb. 22
Discount rate	6.00	6.00
Prime rate	8½/9.00	8½/9.00
Federal funds rate	6 5/16	6.00
Japan		
Discount	6.00	6.00
Call money	8 5/32	8 1/16
3-month interbank	7 29/32	7⅞
West Germany		
Lombard	9.00	9.00
Call money	9.00	8.65
3-month interbank	9.05	8.65
Britain		
Bank base rate	13.00	13½
Call money	13⅛	13⅜
3-month interbank	13¼	12 15/16

Gold	March 1	Feb. 22	Chge
London p.m. fix $	366.90	358.80	+2.26 %

Bottom Line on the War: For the U.S., Not So Bad

By Peter Passell
New York Times Service

NEW YORK — Could paying for the Gulf war prove as easy a ride for Americans as fighting it? Economists take a perverse pride in supplying the rain for every parade. But even the most cautious are showing signs of being swept up in the euphoria of victory.

The war has been fought on the cheap, they argue, and largely at the expense of the allies. "The costs to America aren't zero" says Charles Schultze of the Brookings Institution, "but they aren't large."

And although the spike in oil prices that followed the invasion of Kuwait apparently tipped the American economy into recession, there is reason to believe that the quick defeat of the Iraqi army will help tip it out.

The long-term economic consequences are harder to reckon because they turn on who rules the Middle East, and what they have in mind for oil consumers. Here, too, though, optimism seems to be bursting out all over.

Increased demand for capital for the reconstruction of Kuwait may raise interest rates, trimming investment in the rest of the world. And the burden of playing cop to the new world order could conceivably slow the planned decline in American defense outlays, leaving less to spend on everything from pre-school education to potholes.

But many analysts say these potential drags on growth will be more than offset by victory's salutary effect on energy prices.

"The countries with capacity will have a tremendous need to pump oil," notes Robert Reischauer, the director of the Congressional Budget Office. As a consequence, energy prices are likely to be depressed for years to come, boosting the growth prospects of the oil-importing economies.

Equally important, Saudi Arabia will be under pressure to work harder to stabilize prices, reducing the prospect of shocks to the industrialized economies. "If the Gulf states acknowledge their obligation," concludes an economist at Harvard, Benjamin Friedman, "we are talking about a big impact."

Ordinarily the price of war must be figured in terms of weapons expended and civilians diverted from productive work. But as Mr. Reischauer points out, this is no ordinary war. For one thing it comes on the heels of the Soviet collapse, leaving NATO equipped to fight communist hordes who are now too busy scrounging for food to think about breaching the Fulda Gap.

According to the Defense Budget Project, the American arsenal already contains some 5,000 Patriot missiles. Congress might think twice before replacing the few hundred launched against Saddam Hussein's Scuds.

It also might wonder about the need to buy more TOW anti-tank missiles, which numbered 267,000 on the eve of the Gulf war. At very most, coalition forces expended a few thousand of them on the race to the Euphrates, leaving enough to destroy every tank left in the world and then some.

Of course, the war has not been fought entirely out of inventory: A half-million soldiers and their equipment require lots of care and feeding. But by the Bush administration's own reckoning, cash and in-kind contributions from the allies will cover these costs. Most likely, the Pentagon will be left with a profit.

Had Saddam Hussein called it quits the day before the ground invasion, the administration estimates that the bill for the war would have come to $45 billion. If the invasion had proved to be an equipment-consuming slugfest lasting through March, the total would have been $60 billion.

In light of the easy victory, it's likely that the final official reckoning will be a lot closer to $45 billion than to $60 billion.

On the other side of the ledger, the allies are pledged to deliver $53.9 billion to Washington. Although just $14.9 billion of that total has been received thus far, only the Japanese have shown signs of balking — and only on $1 billion of their $9 billion pledge.

The small surplus implied by these figures may, on closer inspection, prove quite substantial. Mr. Reischauer suggested in his testimony to the House Budget Committee last Wednesday, that "some administration estimates may be overstated." Among other things, he cited two oil-related items:

- The Pentagon included higher fuel bills for American forces operating outside the Gulf as a cost of the war. Possible padding: $2.8 billion.
- The administration also assumed oil prices would average far more for the rest of the year than they are today. If one assumes instead that today's price will hold for the rest of 1991, the bill for fuel would be halved.

■ World Bank to Help Rebuilding

The World Bank expects to help rebuild Kuwait and Iraq, even though the countries are not eligible for loans because of their high per capita incomes, Reuters reported Sunday from Santiago.

Barber B. Conable, the president of the World Bank, said the bank's role would probably include technical assistance, coordination of aid flows and institutional development activities.

"Because they are members of the World Bank, I would expect us to have a significant role, but it will have to be defined in negotiations among many of the concerned countries," Mr. Conable said.

Technical assistance provided to some Gulf states is done on a reimbursable basis, he added.

Mobil Set To Trim Division

Reorganization To Force Layoffs

By Mark Potts
Washington Post Service

WASHINGTON — Mobil Corp. plans to announce a reorganization of its huge U.S. refining and marketing operation Monday that will include layoffs starting in May of an unspecified number of employees in the 17,700-person division, company documents show.

A spokesman for the oil giant confirmed the company would make an internal announcement about "streamlining" the marketing division, but declined to provide further details.

Through cutbacks and sales of operations, Mobil has reduced its work force to 67,900 workers worldwide, down from a peak of almost 200,000 in the early 1980s.

Reasons for the reorganization were unclear, but industry analysts noted that Mobil and other big oil companies have been steadily streamlining operations for years.

Profit in Mobil's marketing and refining operation, one of the largest in the industry, was squeezed late last year by the rapid rise in crude oil prices as a result of the conflict in the Gulf, and Mobil's inability to raise gasoline prices quickly enough to keep up.

In the second half of 1990, Mobil reported profit of only $26 million on its U.S. refining and marketing operation, despite revenue of $26.2 billion.

According to a document, Mobil executives will spend the next three months identifying candidates for the cutback. The new organization will go into effect May 2, and "company initiated separations" will begin that day.

Robert J. McCool, vice president of the marketing and refining division, sent a memo inviting salaried employees to participate in a series of workshops called "Managing Change" beginning this week.

Mobil's refining and marketing division includes everything from refineries to gas stations. It is the fifth-largest gasoline seller in the United States, with 7.4 percent of the market, according to National Petroleum News.

Switchboards Light Up For Overseas Travel

By Agis Salpukas
New York Times Service

NEW YORK — Some airlines and travel agents with business overseas have reported a surge of bookings as the Gulf war drew to a close.

They said that while some Americans were still holding back for fear of terrorism, many others were now comfortable enough to travel abroad again, particularly because of the discounts being offered.

"Their tentative plans are becoming firm," said Steven E. Heydt, vice president of marketing for Liberty Travel, a large chain of travel agencies on the East Coast. "There is a general understanding that it's O.K. to travel again."

"Today we're getting calls for Italy, France," he added. The calls for bookings on cruise tours have at times been so heavy that agents have been unable to get through to the cruise lines still taking reservations by telephone.

Carriers including Lufthansa, Air France and Pan American World Airways report bookings up significantly since Wednesday night, when President George Bush stopped the allied drive and proposed a permanent cease-fire.

Kerstin Sabene, a spokeswoman for Lufthansa, said the airline's reservation agents had recorded a jump in the number of calls after the speech.

"It was the busiest since the war broke out as far as telephone calls," she said.

She added that the higher level of calls had continued and that bookings had been running at normal levels, compared with a decline of 20 percent after the Gulf war began Jan. 17.

Callers could also have been attracted by lower fares that took effect last Monday, she said.

The fares included a $508 round-trip fare during midweek from New York to Frankfurt that must be booked and paid for by March 15. Before the discount the same fare would be $736.

Jeffrey F. Kriendler, vice president of corporate communications at Pan Am, said Thursday had been the carrier's best day since August.

Arms Makers Sift the Combat

Some Flaws Show Need for Robotics and Automation

By Evelyn Richards
Washington Post Service

BALTIMORE — It was the mundane that caught Von Jennings's eye in the television clips of the Gulf war. There in the desert were soldiers hauling pallets of ammunition, an incongruous scene in what was supposed to be high-tech combat.

In those fleeting moments, the Martin Marietta Corp. scientist spotted an opening for one of his pet projects — an ungainly, 25-ton bulldozer-sized robot that uses computer intelligence to "see" pallets of artillery shells and has massive mechanical muscle to unload the cargo without putting people in jeopardy.

"Had we used robotics and automation we could have saved lives and fought the war more cheaply," said Mr. Jennings, a research and technology manager at Martin Marietta's Aero & Naval Systems unit here.

Like Mr. Jennings, defense industry officials watched the advanced weaponry at work in the Gulf and saw not only what it was doing right, but also what it was doing wrong, or not doing at all. What they saw was largely old technology dating to the 1970s, virtual museum pieces compared to the treasure chest of know-how they have accumulated over the past decade. What they saw was opportunity.

Now the industry is wasting no time in cashing in on postwar euphoria to renew its push for increased Pentagon spending.

"Once you demonstrate something, the rest of the world catches up pretty quickly," said Malcolm Currie, chairman of Hughes Aircraft Co. and a member of the Pentagon's advisory Defense Science Board. "We've got to stay one step ahead, and we can do it by building on what we have now. It's given us a lot of confidence."

Costly and politically sensitive new weapons systems may capture the headlines in the upcoming funding debates, but some of the most important choices are likely to be made more quietly, among researchers seeking increased support for fundamental electronics technologies that would underlie the next generation of "smart" weapons.

To many, the shortcomings of U.S. weaponry in the Gulf were glaring. Even the best American technology could not track down all the mobile launchers for the deadly Scud missiles. Laser-guided bombs were useless on cloudy days. And pilots had trouble distinguishing friendly vehicles from unfriendly ones — with tragic consequences.

In the age-old struggle to weigh man against machine, the United States has gone further than any other nation toward favoring machines, in the

See WEAPONS, Page 9

Building East's Future, Bonn Looks to the Past

A Free-Market Formula Is Favored

By Richard E. Smith
International Herald Tribune

BERLIN — Although unemployment in eastern Germany is certain to soon surpass the levels of the explosive 1930s, Bonn's ruling center-right coalition is expected to resist growing calls for emergency mass employment programs and gamble on the free-market formula credited with West Germany's economic miracle four decades ago.

That specifically German formula, called *Ordnungspolitik* or "policy of order," requires the state to limit itself mostly to providing basic infrastructure, a sound currency and the ground rules of competition, so that private initiative can lead the economy's revival.

Developed by a group of economists who studied the flaws of central planning in the Third Reich, the theory was put into brilliant practice by Finance Minister and later Chancellor Ludwig Erhard in the 1950s. Now virtually a state religion among many of the country's elite, the policy has been widely viewed as a major reason West Germany has rarely failed to outperform its neighbors economically ever since.

Classic Ordnungspolitik includes an extensive social safety net but looks with deep distrust on massive initiatives by the state. As a result, Bonn has been reluctant to embark on such programs in spite of the fact that eastern Germany has hundreds of thousands of unemployed and the area's economy begs for reconstruction.

The pressure is getting so great from labor leaders and opposition politicians that the ruling coalition has launched some limited job creation programs. Nevertheless, economists and analysts say the coalition's guiding instincts will remain with the free-market approach.

"We cannot just throw money at these problems," said Norbert Walter, chief economist of Deutsche Bank. "If we don't gear the priorities toward private initiative, we will simply be setting up job-creation programs which could go on for decades."

Bonn has braced itself for years of financial aid to eastern Germany and has even raised taxes to help pay the bill. But the vast bulk of the money will probably be channeled toward training people, improving transportation and communications and encouraging private investment. Marshall Plan funds also were used in this way in West Germany after the war under Mr. Erhard's guidance, rather than for any grand employment programs.

"Success in eastern Germany really does not depend ultimately on how much money is provided," said Ulrich Hombrecher, economist with Westdeutsche Landesbank.

"The real problem is whether bureaucracy and problems with real-estate claims can be set aside and a good administration set up so that the private sector can take hold."

This is not to say that West Germany has not often strayed from the ideal, or that various exceptions may have to be made in eastern Germany.

'If we don't gear priorities toward private initiative, we will be setting up job-creation programs which could go on for decades.'
Norbert Walter, chief economist of Deutsche Bank.

Just as West Germany has subsidized its farmers, shipbuilders and coal miners for decades, Bonn may find it necessary to keep some industries in eastern Germany artificially alive if they are in depressed areas or involve especially large numbers of workers.

The area around Bitterfeld and Halle, for example, was massively dependent on East Germany's chemical industry. That industry clearly has no future in its present form, but its total disappearance might make the area chronically destitute.

Still, the ideal of Ordnungspolitik, buoyed by its irrefutable success in shaping West Germany's economy, has a strong hold, even on many politicians in the east.

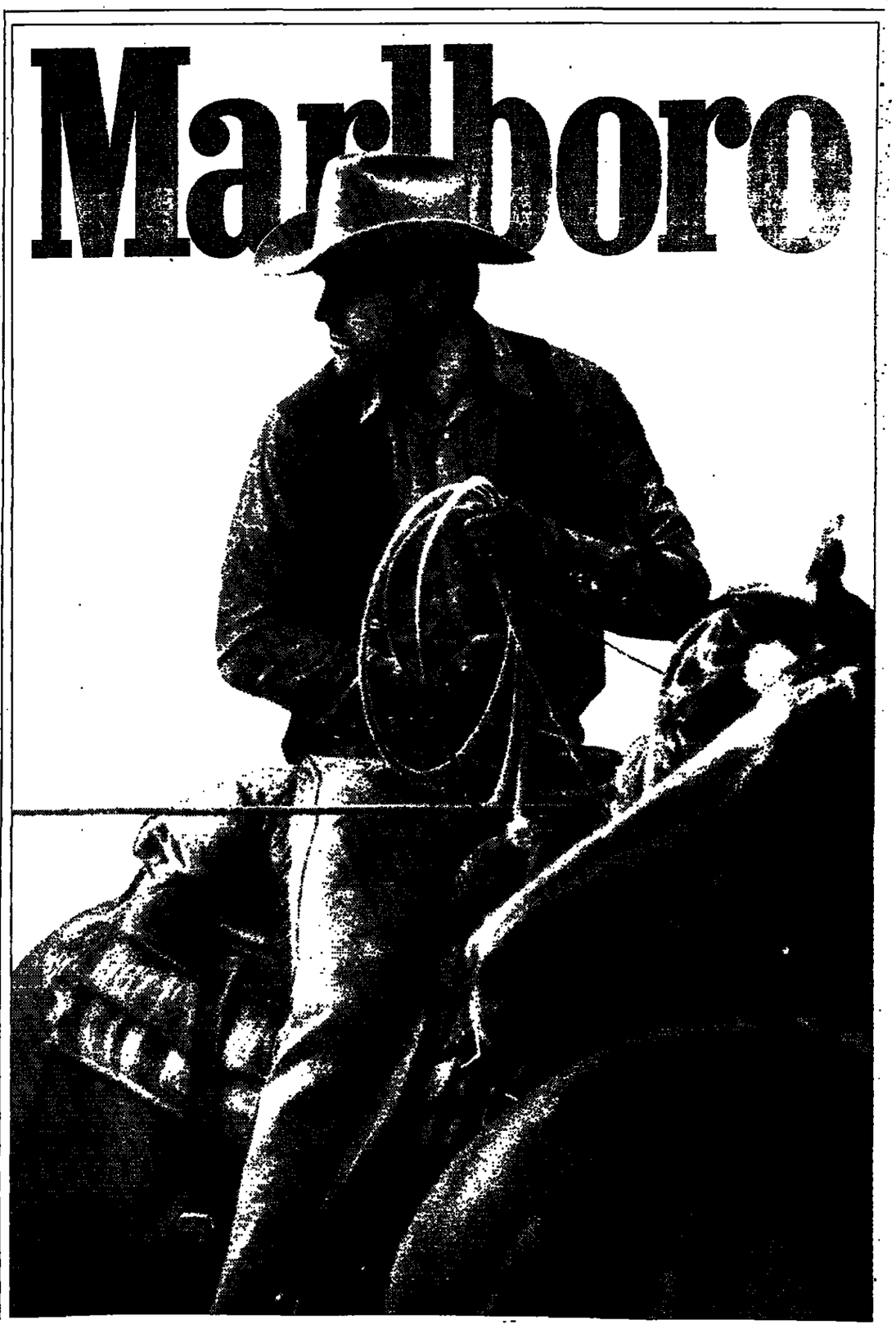
"We will need bridging help for up to three years but then we will go to classic Ordnungspolitik," said Manfred Stolpe, prime minister of the state of Brandenburg.

The philosophy of a limited state role has done much to define the role of the Treuhandanstalt, the government agency charged with privatizing some 9,000 former East Germany companies.

This unit, managed largely by businessmen from the west, is working to restructure businesses to make them attractive as soon as possible to outside buyers. Saving jobs is a consideration, but the focus is on distinguishing between

See GERMANY, Page 9

Marlboro



NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, March 1.

	Div	Yld	Sales in 100s	High	Low	Close	Net Ch'ge
A							
A&W Bd			4499	35½	32	35½	+1¼
ABS	.32	5.6	11	5¾	5¾	5¾	
ACC Co	.16	1.9	424	9½	8¼	8¾	—¼
ADC			5430	32½	29¾	32	+2
ADT		1	16696	21¾	19¾	21½	+1⅞
AEL			248	5¼	4¾	5	+¼
AEP			925	12¾	11¼	11½	
AST s			56132	28¾	23½	25¾	
AamRt	.10	1.0	432	10	9½	10	+½
AbingB			37	3¾	3	3½	—¼
Abram	.20	5.3	22	4¼	3¾	3¾	+¼
Acadin			5677	1¼	1⅛	1	+
Accel	.20b	1.6	978	11¾	10⅞	11¼	+½
Aclaim			6406	5¾	5	5⅛	—⅝
Aceto	.28	2.4	544	11¾	11¼	11¾	+¼
ACMT			45	14¼	13	13¾	+¾
Acmt a			19	8	8	8	—⅛
AcmeSt			579	12¾	11½	12	—¼
ActARt			484	1¾	1⅝	1¾	+⅛
Acxiom			878	20½	18¼	20	+1
AdacLb			2542	1⅝	1⅛	1½	—
Adage			54	⅝	⅝	⅝	
Adapt			7965	11¾	11	11¼	—⅛
Adingt s			5598	11¾	9½	11	+1⅛
AdiaSv	.16	.7	476	23	21½	22	+1¼
AdobeS	.24	.5	28390	49¼	46½	46¾	—¾
Adtec			1115	2¾	2½	2½	+¼
AdvCir s			1418	7¾	7	7½	—⅛
AdvRos			24	10¼	10	10	
AdvLog			7131	14½	12¾	14¼	+2
AdvMag			183	18¼	16¼	16¾	
AdMkSv			691	2¾	1¾	2¾	+1⅛
AdvPoly			2618	4½	3	3¼	—¼
AdvSem			156	3¾	3½	3½	
AdvTel			1252	21¼	20	20¼	—¾
Advanta	.12	.8	3819	15¾	12½	14¼	+1
AdvoSy			5724	15	14¾	14¾	+
AegisG	.20e	3.6	50	5½	5	5½	+1⅛
Aequitrn			709	2⅝	2	2⅛	+⅛
Aegon	2.71e	3.8	255	72½	70¾	70½	—1½
AerSysi			289	½	⅜	⅜	—⅛
Aerovx			386	3⅝	3½	3½	—⅛
AllBcCp			80	1¼	⅞	⅞	—⅛
AflBsh			1900	14¾	13⅝	14⅛	+⅜
AgncyR	.48t	8.0	3825	8⅝	7⅝	8¼	
Agnico g	.20	3.7	1399	5½	4⅞	5⅜	+⅜
Agouro			2926	24⅝	7	10	+2⅞
Alcorp			1956	11	10⅝	10¾	+¼
AirMd			2012	7⅞	7⅛	7⅝	+⅜
AirWisc			2021	9½	8⅝	9½	+¾
Airtron	.16	1.7	2195	9⅝	7⅝	9¼	+1⅜
Akzo	.07	3.3	1390	2⅞	1⅞	2⅛	+⅝
Alaten	1.86e	6.9	1856	27⅝	26	26⅞	—½
Aldus	1.10	7.6	281	14½	14	14½	+⅜
AlexBr			10183	45½	42½	44⅜	+2¼
AlexBld	.28	2.1	7853	13⅝	12⅞	13⅜	+¾
AlfaCp	.88	3.2	5468	27½	26½	27¼	+⅜
AllosR	.40	4.0	324	10¼	9⅝	10	—½
Alico			3581	20½	18	20	+1¼
AllAm s	.15	.7	136	24	22½	22½	
AllCity			27	1⅜	1¼	1⅜	—⅛
AlegW			35	6	5⅝	5⅝	—⅛
AlnOrg			1736	5⅝	5⅛	5⅝	+⅜
AllenPh	.40a	1.2	156	35½	34	34¾	—¼
AHant h			2665	10¼	9⅛	9⅛	—⅛
AlldBk			1553	1⅝	1⅜	1⅜	+¼
AlldCap	.32	5.3	881	7	5⅝	6	—⅛
AldCall	1.29e	8.3	2480	15½	14¼	15⅛	+⅛
AlldCl	1.15e	6.9	509	16¼	16	16⅜	
AlldGp			1793	20	19	19	—⅜
AlldRsh	.48	3.5	1819	14¼	13¼	13¾	+⅜
AloyCpt			293	5	4⅝	4⅝	—⅛
AlisIFn			38				+
Allwst			104	8	7	7	—1⅛
Alpetle			7927	5⅞	5⅛	5⅞	
Alphart	.32	3.4	317	10½	9¼	9½	—½
AlpMic			3751	1⅝	1⅛	1⅝	+⅜
AltaGld			81	2	1⅛	1⅜	—⅛
AltaHlt	.06e	3.6	5398	1⅞	1½	1⅝	+⅜
Altera			2625	15¼	13¼	15¼	+2
Altron			11669	17⅝	16	16⅞	+⅞
AmcorF	.50	4.2	152	12	11½	12	+⅜
Amrian	.48	4.7	42	10¼	10	10¼	+⅜
Amerbc	†		174	2⅝	2	2¾	+⅝
AFFMI2	2.20e	33.2	1061	7⅝	6½	6⅝	—¼
AFFF	1.50	7.7	1201	19½	18⅝	19½	+½
AmFPr	1.30	10.8	335	12	11¾	12	+⅜
AFTxE	1.00	12.1	628	8¾	8	8¼	+¼
AFTxE2	1.28	15.1	98	8½	7¾	8½	+½
AWAirl			8021	6⅝	5⅝	6⅛	+⅜
AmBcp	1.00e	7.1	61	17	11½	14	—1
ABnkr	.60	4.6	3015	13⅝	11⅞	13	+1
AmCity			182	18¼	17½	17¾	—⅜
AColold	.44	5.0	26	8⅝	8½	8⅝	+¼
AConsu			590	3¼	2⅞	3¼	+¼
AmEcol			235	8½	8	8½	+⅜
AFSvDu			23	4¼	4	4¼	+¼
AFIm s			32085	8⅝	4⅝	6⅞	+2⅜
AFlltrn	.90	4.3	107	22	20	20¾	—1¼
AGreet	.70	1.9	4249	37¼	36⅜	37¼	+⅞
AHltSv			985	⅜	⅞	⅞	
AIndF	.08	1.3	40	6¼	6¼	6¼	—⅛
AmInfo			1726	3½	2⅞	3⅛	+⅛
AmLck	2.00e	66.7	4	3	3	3	+¼
AMS			2565	23¾	22⅜	23⅜	+¾
AMedE			1842	15¼	14¼	14½	—½
ANtIns	1.72	5.2	270	33¼	32	33¼	+1⅞
ANuclC			544	1⅞	1⅜	1⅜	+⅛
AmNurs			60	2	1¾	2	+⅜
AmPac			839	11½	10½	10⅝	—⅛
APhyG			21	1⅜	1⅜	1⅜	
APwCv s			16903	23¾	18⅝	20⅞	—½
ARepBc			1264	8	6⅛	7⅜	+1⅜
AmRice			468	⅞	⅛	⅝	
ASoft s	.24	1.8	8091	13¾	12¾	13	—⅛
AmStl	3.25t	86.2	582	2	1⅞	2	
ATvCm			3992	41½	39⅝	41¼	+⅞
ATrav s			13094	18	15	17¾	+2⅜
AVang			1	6	6	6	+1½
AWood			63	4½	4	4½	+¾
AmAll	.21e	4.7	747	4¾	4½	4½	—⅛
Amerifr	.64	5.7	2624	11⅝	11⅛	11¼	+¼
Amgen s			8948	101¾	89	95⅝	—6⅝
Amistar			92	1⅜	1¼	1⅜	+⅛
AmtyBc			31	3	2	2	—⅛
AmskBk			3657	⅛	⅝	⅝	
Amoskg	.60	4.8	151	13	12½	12½	+⅜
Amplcn			2599	16	14	14½	+2
Ampserv	†		355	4¾	4⅛	4¼	—⅛
AmtcCp			2100	13	11⅞	12½	+¼
Amvest			734	2⅝	1⅞	2	—½
Anlogic			1559	11⅜	9⅞	11	+1
AnalyTc	.17	1.4	186	13¼	11⅝	12½	—½
Analy	.56	3.9	2615	14¾	13½	14¼	+⅝
Anangel	.90e	6.9	1617	13	12⅛	13	+⅛
Anaren			153	3½	3	3¼	—⅛
AnchSv			1354	1⅜	1¼	1¼	—⅛
AndrGr			633	10¼	7⅞	10	+2
AndvBc			418	5½	4⅝	4¾	—⅛
AndvTg			49	1⅝	1½	1½	—⅛
Andrew			648	26½	25¾	26½	+1
Andros			2070	9½	8	9	+⅛
Apertus			660	1⅝	1⅛	1⅝	+⅛
ApogEn	.24	1.3	843	18	16⅛	18	+1
Applon			4580	12⅝	11⅝	12⅛	
AppleC	.48	.8	10153	60½	56¾	57¾	—2
Applebe	.04a	.4	2262	10½	9⅝	10½	+½
ABiosc s			4707	27	23	25⅜	+3⅝
ApldBio			3817	15⅝	14¼	15⅝	+1⅛
ApldMt			3712	32	29	29¾	—1½
ApldPw	.12	.8	4134	16¼	14¾	14⅞	—½
ApldSlr			104	4½	3⅞	4⅛	—⅛
ArabSh			1140	4⅜	3½	3	+⅝
Archive			4490	7⅞	7⅜	7⅜	—⅛
Arbor	.20	.8	2067	24½	23¼	23⅞	+½
Arctco			1271	7¼	6⅞	7	
Arden			3	51	50	50	—3
ArgoGp	1.60	2.1	99	75	70	75	+2
Aritch			1433	3½	2	2⅜	+⅛
ARIX			2357	1⅝	1⅛	1⅝	+⅛
ArkaFt			97	25¾	24⅜	25¾	+⅝
Armor	.64	6.2	854	10⅜	10⅛	10⅜	+⅛
Arnold	1.00	2.3	68	44¼	41½	43	—⅛
ArowFn	.72	7.0	103	10½	9¾	10	—⅛
Artel			804	3⅜	3	3⅜	
AtrlstG	.10e	1.6	2324	6¼	5	6¼	+1⅛
ArtWay	.40	5.0	51	8½	8	8	—⅛
Ashton			16472	8½	6⅞	7⅝	+⅜
Aslamr	†		1021	5⅝	4⅝	5	—⅜
AspctTl			1172	10	9¼	9⅝	—⅛
Asanlm			373	1⅝	1¼	1⅜	—⅛
Assix			1336	3⅝	3¼	3½	+⅛
AsdBnc	.72	3.7	352	19½	18⅝	19⅜	+⅜
AsdCmA			1456	28⅜	28¼	28½	+¼
AsdCmB			75	29	27½	27⅝	—⅛
Astec			122	5	4½	4½	+⅛
AstrM s			115	10	9¼	10	+⅛
Astrcm			63	1	⅝	⅝	
Astron			113	1	1	1⅛	+⅛
Astrosv			348	3¼	3	3½	+½
Atek			176	4½	4	4	—⅛
Athey	.10e	1.6	18	6¼	5½	6¼	+1
AticoF	.20	2.7	46	7¾	7½	7½	—⅜
Atkinsn			352	10½	9¼	10¼	+1
Atlnfd	.40b	4.7	12	8½	8½	8½	+½
AtlAm			94	1⅞	1⅞	1⅞	—⅛
AtlSeAr	.60	2.1	4341	28¾	28⅜	29¼	+⅞
Atwod s	.84e	4.1	1657	20½	19⅝	20½	—⅛
AtwdOc			845	13	11½	13	+1⅛
AutTrT	†		612	2¼	1⅞	2⅛	+⅛
Autoclv	.24	3.6	82	7	6½	6½	+⅛
Autodk	.40e	.8	18915	50¾	46¼	50¼	+2
Autodie			80	3	2⅞	2⅞	—⅛
Autolnf			1979	4¼	3⅝	4⅛	+⅛
AutoCp			96	12⅜	11¼	11¼	—⅛
Avntek			3150	3⅛	3⅛	3⅛	—⅛
Avator			398	16½	13¼	15¾	+2
Avndle			7747	7	3⅞	4⅝	—2⅛
Aztar			14907	5⅝	4⅞	5½	+½
AztcM	.10b	1.7	2695	6¼	4¾	6	+1⅛
B							
BB&T s	.84	4.4	2371	19½	17⅞	19¼	+1½
BH Bulk			237	2⅝	2¼	2⅝	—¼
BEI El	.08	.9	2797	9¼	8⅛	8½	—¾
BEI			656	3¾	3⅜	3⅝	+⅛
BF Ent			2	2½	2½	2½	—⅛
BGS	.60a	2.0	180	30	28⅝	29¾	—¼
BHA			3399	14⅜	13	14⅛	—⅛
BHA B			217	14	13	13	—1⅜
BI Inc			1576	11⅜	10⅞	11⅜	—⅛
BMA	1.20a	5.3	1516	23¼	22	22½	—1⅜
BMC Sf s			6570	39⅜	36⅛	39¼	+1⅞
BMJ	.40	5.0	63	8¾	8	8	—⅛
BMR Fn			5	3¼	3¼	3¼	
BNH			18	3¾	3	3	—⅛
BSB Bcp	.72	4.6	216	15½	14⅝	15½	+½
BT Fin	.88	6.6	10	13¾	13¼	13¼	—⅛
BT Shp			1743	8⅝	8	8	
BTR	.08	2.8	57	3	2⅞	2⅞	
BTU Int			2542	3⅝	2½	2⅞	+⅛
Babage			339	9⅝	9⅛	9⅞	+¼
Badger	.48a	2.2	8	22	19	22	+2
Bailey			10	1	1	1	+⅛
BkHo wt			9179	6½	5⅛	6	+¾
BakerJ	.06	.8	15478	7½	5	7¼	+2⅛
Balchm s			45	4⅞	4½	4½	—¼
BldLyB	.30	1.4	468	21¾	21¼	21½	+¼
BaldPlo			185	8⅝	7⅝	8¼	+¾
Balard s	.07	.2	4094	31¾	27½	27⅞	—3⅞
BcoHw s	1.64	3.1	6221	52¾	49¾	52¼	+3⅞
BcMiss	.92	4.3	48	22½	20¾	21¼	+¼
BcpNJ	.48	5.6	104	9	8¼	8⅝	+⅛
Banctec			1738	10½	9	9⅝	—⅛
BandoM	.88	18.1	117	9⅛	8½	8¾	—⅛
BangH	1.28	8.0	384	16½	15¾	16	—½
BankAtl			2	2½	2½	2½	—½
BkGran	.44	2.2	81	21¼	19¾	20	—1¼
BnkNH	.20	2.6	69	8¼	7¾	7¾	—⅛
BkSou	.52	6.8	1697	7⅞	6⅞	7⅝	+⅝
vlBkest			1203	⅜	⅜	⅜	
BaLkrs	.52	4.1	789	12⅝	12	12⅝	+⅛
BnkFst			177	4	3½	4	—⅛
BkrNte			447	1⅝	1⅛	1⅝	+⅛
Banta			710	9½	8	8	—⅛
BkIowa	3.56	4.6	3348	78¾	76⅜	77	—⅜
BkMAm			107	8¼	7½	8¼	—⅛
BkWorc			388	6⅞	6⅝	6⅝	—¼
BanPn s	.80	4.7	750	17½	17	17	—⅛
Banta	.56	2.1	2518	27¼	26¼	27⅛	+1⅛
BaretRs			3876	5⅞	4⅞	5⅜	+⅜
BaryJw			178	1⅜	1⅛	1⅜	+⅛
Barlon			3136	⅜	⅝	⅝	—⅛
BsTnA			2773	2⅜	2⅛	2⅛	—⅛
BrsAm			2845	11	7⅞	10⅜	+2⅜
BasPtr			69	20½	19	19¾	
BsetF	1.00a	2.7	321	37¾	36⅛	36½	—¼
BayVw	.60	3.2	4690	19⅝	17⅞	19	+⅞
BayBks			9955	17⅞	14½	17	+2¼
Bayert			101	¼	⅛	⅛	
BEAvlon			4427	9	8⅜	8⅜	—¼
BeauClt	.28	1.7	379	16¼	15⅝	16¼	+½
Beebas			536	6⅝	6½	6⅝	—¼
BelFuse			328	2⅝	2⅜	2⅝	+⅛
vlBelW s			192	⅛	⅛	⅛	
BellSv			132	⅞	⅝	⅞	+⅛
Belmrl			74	1¼	1	1	
BenJer			205	18¼	17½	18	+¼
Benhan			691	1½	1	1⅜	+⅜
BnfOG s			6928	18	13	17½	
Berkley	.44	1.0	2001	45¼	41⅝	44¼	+2½
BerkGs	1.28	8.3	239	15½	14½	15½	+⅛
BetzLb s	1.08	2.3	4971	49	46⅝	47½	—⅛
Big B			486	8⅝	8¼	8⅝	—⅛
BigOTr			1975	⅝	½	½	
Bindly	.03e	.2	5359	17⅝	14⅝	16¾	+2⅜
BingKg			242	3⅜	3⅛	3⅛	+⅛
Biogn wt			407	22	18½	20¾	+⅜
BioLog			78	5⅜	4⅜	5½	
Biogen			16020	37⅛	34⅝	34½	—½
Biogn pf	2.12	3.7	433	62¼	56⅜	56⅝	—⅜
Biomet s			24365	28	25	27	+2
Biosph			148	2	1⅞	2	
BioTinl			634	2⅜	2⅛	2½	+¼
BirdCo	.25e	1.8	734	14	12¾	14	+½
BirdMd			471	6¾	5¾	6¾	
Birtchr			4642	13	9	12½	+2⅞
BizMrt			2999	8¼	7¾	8¾	—⅛
Blackl	.35e	4.0	5	8¾	8¾	8¾	
Blou			215	1⅞	1⅞	1⅞	
BlisLau			1	4½	4½	4½	+⅛
BlocDv			9891	7	5⅞	6½	+½
BlckD	.80b	1.8	2035	46¾	45	45	—¾
BoatBn	2.12	5.7	6681	37¼	33⅞	36⅞	+1¾
BobEvn	.26	1.5	3329	18	16⅛	17⅝	+1½
Bohema			1025	13¼	12¾	13¼	+⅜
BonvlP			596	4	3¼	3⅞	+⅛
BooleB			168	15	13½	14	—½
BoonEl			40	2⅜	2¼	2⅜	—⅛
Borel	.36r	6.0	48	6⅛	6	6	+⅛
Borlnd			29537	50	43⅜	48¼	—1½
BostAc	.28	1.0	303	26¾	25	26¾	+1
BostBc	.60	3.2	1064	19	18¼	18⅞	+¾
BsmDig	†		26	2⅜	2¼	2½	+⅛
BstnFB			3000	4⅞	3⅝	3⅞	—¼
BostTc			3879	3¼	2¾	2⅞	—⅛
BlvdBc			151	12½	12	12	
BradyW	.48	1.5	420	34	32¾	33	+½
Brentre	.36	7.2	180	5½	5	5	
Brand s			2391	17¾	16¼	16⅝	—⅜
Brandn	.24	2.0	5	11¾	11¾	11¾	—½
BrnldSv			77	2	1¾	1⅞	—⅛
Brkwt a			775	⅞	⅞	⅞	
Brenco	.20	3.2	475	6¾	6⅛	6¼	+⅛
Brendle			38	3⅛	2⅞	2⅞	+⅛
BrdgF s	.16	1.2	4403	13¾	13¼	13¾	—½
BriteV			80	5⅞	5¼	5⅞	+⅛
Brdstin s			3668	10½	9⅛	10	+⅝
BroadN	.58e	6.8	11	8½	8⅛	8½	+¼
BowyFn			5	3	2½	2½	—⅛
BrTom			1679	4	3½	4	+⅛
Brunos	.18	1.0	8710	18¼	17¼	18	+⅜
BrynMw	.60	3.2	9	19	17	19	
Buffet			5707	27½	25	27	+2¼
BuildT			1532	5⅞	5⅛	5⅛	+⅛
BullRGd			243	⅜		⅜	+
BurnpS			3840	10	8⅞	9	—½
BurrBr			466	9¼	8¾	8⅞	—⅜
BurrIt			505	5⅞	4⅞	4⅞	
BusnRc			45	14¾	14⅝	14⅝	—⅛
ButlrMf			1673	19¼	15¾	18	+2¼
Byfax			2488	9½	8¾	9	+¼
C							
CB T s	.48	4.9	16	10	9	9⅝	
CCA			180	⅛	⅛	⅛	+⅛
CCB s	1.52	4.9	88	32½	31	31	—½
C COR			431	5⅝	4⅜	4¾	—⅛
CCNB	.80	5.7	82	14	13⅞	14	+⅜
CEM s			685	11¾	11	11⅛	+⅛
vlCFI St			375	⅞	⅝	⅞	+⅛
CFS	.15e	3.2	192	4¾	4¼	4¾	+½
CFSB Bc			67	8¼	7⅝	7¾	—⅛
CIS Tch			7424	5½	4⅞	5⅛	—⅛
CK FSv	.60	4.3	19	9⅞	9	9¼	—¼
CMS Dt			1977	3⅞	3¼	3⅜	—⅜
CNB	.80b	4.2	43	21¼	20¾	20¾	—¼
CPAC	.24	4.8	47	5½	5	5	—½
CPB	.64	3.2	1072	20¾	19⅝	19¾	—¼
CPC Rx			572	1¼	1	1⅛	
CSC Ind			364	⅞	⅝	⅞	+⅛
CSP			328	5¾	5⅛	5¼	—⅜
CTEC			420	17	16¼	16¾	
CU Bnc	.30	3.5	90	8⅝	8½	8½	—⅜
CabotM			8323	14⅞	11½	14⅛	+3
Cache			451	1¼	1	1¼	+¼
CACI			7291	4⅛	3⅝	3⅞	+⅜
CdbyS	2.16e	3.1	675	72¼	69¼	69¼	—1⅞
Codeln			2630	1	1	1½	—
Cadmus	.20	2.7	260	8	7¼	7½	
Caere			4233	19½	18½	18¾	
CalGph s			221	5⅞	5⅛	5⅛	—¼
CalRep	.40	2.7	74	15¾	14¾	14¾	—1⅛
Calgene			3568	8	6¾	7¾	+⅜
Calg pf	2.25	8.2	105	27½	25¼	27½	—½
Calgon	.32	.6	5212	51	48¾	50½	+1⅞
CalAmp			274	1½	1⅜	1⅜	—⅛
CalBio			7089	15¾	13¼	14⅝	
CalFncl	.40	4.3	144	9¼	8¼	9¼	+¼
CalMD			1967	3	2⅝	2⅝	+⅜
CalMic			2196	10¼	9⅛	9⅞	+⅜
CalSBk			78	9⅞	8¾	9⅞	+¾
CalWtr	1.80	7.1	230	25½	23½	25½	+2
Callon	.45e	30.0	61	1½	1⅛	1½	+⅛
Cambx s			5098	13	10½	12½	
CamBio			5779	5⅞	4⅜	4⅝	—⅜
Candla			3601	18¼	15⅞	16¾	—½
CannEx			410	9½	8⅜	8⅞	—⅜
Canonl	.36e	.6	385	58¾	55⅜	56½	+3½
Canonie			126	10¼	9½	10	—½
CanyRs			1344	1	⅞	1	+⅛
CCBT	1.00	7.6	186	13¼	13	13¼	—⅛
CapAsc			284	⅜	½	½	
CapSw	.50e	2.5	13	20	19½	20	+¼
CaptlBc			13	4⅞	4	4	
CapTr s	.20t	1.3	148	17	15⅝	16	
CrdnlD s	.08	.2	3479	36	33	33¾	—1⅜
CardFn	.30	3.4	35	8¾	7¾	8¾	—⅝
CareGp			327	6¾	5⅜	5⅝	—⅜
CreG wt			50	2⅜	2⅛	2⅛	—⅛
CarlCm	.48e	3.0	7783	16¾	15⅝	16¼	+⅜
Carmik			202	12½	11⅝	11⅞	—⅜
CaroFn	.28	3.5	5	8	8	8	—⅛
Caringtn			1821	7	6⅜	6¾	—⅛
Carver			222	3⅜	3⅛	3⅜	+⅛
Cascde	.60a	2.8	1935	22½	21⅛	21⅜	+⅛
Cascint			34299	5	4⅞	5	+⅛
Caseys	.05e	.6	2260	9	8	8½	+⅜
CastlEn			1284	8½	7¾	8¼	—⅛
CathBcp			264	18½	17⅞	18⅛	+⅜
CatoCp			1377	1⅜	1	1⅛	+⅛
CedrG s			568	1⅝	1⅜	1½	
CdrG wt			67	⅜	⅜	⅜	
Celgene			2067	10¾	9⅛	10½	+1⅜
CellTch			1407	1⅝	1	1⅛	
CellCm			5738	32½	30	32½	+2½
Celrin			448	12	10½	11½	+1
Celtrx			3009	8½	7	8	+1
Cencor s			6	8¾	8¾	8¾	+½
CentBc	†		101	5⅞	5⅝	5⅝	+⅛
CtrBnk			23	5½	5⅜	5⅜	+⅛
Centrbc			1379	3⅜	3	3⅜	
CentxTl			3747	33	30	32	—1⅛
Centcor			16644	65¼	60½	64¼	+1⅛
CtlSou	.40	7.6	55	5⅛	5	5⅛	
CnBsh	.80	4.7	665	17½	16½	16⅝	—⅛
CtrCOp			138	⅛	⅛	⅛	
CFidBk	1.52	5.6	538	27¾	26	27¼	+⅜
CtrlHld			126	1¾	1¼	1¾	+⅛
CJerBc	.90	6.9	374	14	13	13	—⅞
CJerFn	.36	5.5	80	7½	6	6½	—½
CPaFin	.44	3.7	43	11¼	10½	11¼	+1⅛
CRsLfe	.28	4.3	969	6¾	5⅝	6½	+1
CnSprn			1800	16¼	14¼	15½	+1⅛
Centurl			536	⅞	⅛	⅞	
CntGld			649	⅜	¼	⅜	+⅛
CntyBc	.10	5.0	3	2	1¾	2	+¼
CrvSo	.16e	2.7	20	6	5½	6	
Cenvst			352	⅜	¼	⅜	
Cerdyn			590	5¼	4⅞	4¾	—⅛
Cerbco			312	1⅛	1⅛	1⅛	
Cerner			2227	13½	10¾	12⅛	+1¾
Cetus			34573	13¼	11	12¾	+⅜
Chalone			122	9¼	8¾	9	
ChmpPr			165	4⅞	3⅞	4	—⅛
ChncCp			57	1½	1½	1½	
Chanln			498	4	3⅛	3⅞	—⅛
ChrmSh	.12	.9	23714	14½	12½	13¾	+¾
ChtFSB	.60	4.4	45	14¼	13⅞	13⅞	—⅛
ChtOnF	.60	3.5	2302	17½	16⅞	17	+¼
Chattm	.64	1.8	36	36	36	36	+5
ChkPt			3125	9½	8⅞	9⅛	—⅛
ChkTch			340	3¼	3	3	—⅛
ChmDsa			3526	8¾	8	8½	—⅛
Chemfx			2037	6⅝	5⅝	6	—⅝
ChFab			1841	23¼	21½	23¼	+1¾
ChmFin	1.04	3.5	189	29¾	29¾	29¾	—¼
Chmpwr			4100	4⅜	4	4⅜	+⅛
ChryCp			161	5⅝	5⅛	5⅛	—⅛
ChesUtl	.86	6.9	60	13¼	12	12½	
ChDock	.32e	2.8	279	11¾	11	11½	
ChldWld			7549	2½	1⅞	2	—⅛
ChlesTc			8661	11¼	10½	10½	—1⅛
Chiron			20361	59	53¾	57¼	+1¾
Chimo			327	8⅛	7¾	7¾	—¼
Cimco			124	11	10	10¾	+¾
Cimflex			1946	¾	⅝	¾	
CinnFn	2.72	2.9	512	97	93	95	+2
CinMic			158	1¾	1	1	—¼
Cintas	.23	.4	642	58	56¾	58	+¼
Ciprico	.20e	6.4	158	3⅜	2⅞	3⅛	+⅛
CircIFA			228	3⅛	3	3	—⅛
Circinc	1.14a	10.1	240	11½	11⅛	11¼	+¼
Circon			1604	13½	12½	13	+¼
CircSy			260	1⅛	1½	1⅝	+⅛
Cirrus			8792	22¾	20¾	22¼	+⅜
Cisco			21865	57¾	52¾	57	+¼
CtzBcp	1.08	5.5	885	20	18⅞	19¾	+1
CtzBkg	1.20	5.7	216	21	19½	21	+1⅛
Ctzlnc s			255	3¾	3⅛	3⅛	—⅜
CtzSF s			2	9¼	9¼	9¼	
CtzUt A	†		1493	29	27⅝	28⅜	
CtzUt B			487	28¾	27¾	28½	
CtyHld	.48	3.4	348	14¾	14	14	—⅛
CityRs g			44	⅜		⅜	+
CivicBc	†		30	12	11½	11½	
Clarcor	.78	3.2	1128	26	24½	24¼	—¼
CleanH			5038	10⅜	9½	10⅛	—⅛
ClevtRt			88	2⅜	2¼	2⅛	—¼
ClHDr			1194	10½	10	10¼	+½
ClHDr pf	2.31	9.1	3485	25½	24⅜	25¼	—⅛
ClinDt			599	1⅝	1½	1½	+½
ClintGs			114	2⅞	2⅜	2⅝	—⅛
Cloth			2594	3½	3⅛	3½	
CoOpBk			285	2⅜	1⅞	1⅞	—⅛
CocaBtl	.88	3.9	910	23¼	22½	22¼	—¼
CoCaM			2489	2⅜	1⅞	2⅛	+¼
CoCa wt			107	⅜	⅜	⅜	+⅛
CodaEn			1329	2⅛	2	2	—⅛
CodeAl			847	6⅝	6	6½	
Codenol			202	5	4⅜	4½	—½
Cognex			519	37	35	36	—½
Cognos g			4643	16⅝	15¼	16½	+1
Cohesnt	.24	6.4	20	3⅝	3⅜	3¾	+¼
Coherl			525	13	12⅛	12¾	+⅜
CohoRs			149	7¼	6¾	7½	+1
ColabR			552	1½	1⅛	1⅛	+⅛
Colagen	†		14074	30½	25¼	29½	+2⅝
ColBcp	.24	2.5	1101	9¾	8½	9¾	+1
ColoeBd			2488	13	11⅝	11⅝	
ColnGp	.40	3.3	81	12½	12	12¼	+¼
ClnGas	1.76	7.7	330	23¼	22	22¾	
CBcp A	.60	7.1	164	9⅛	8⅛	8½	—⅛
CotCos	.64	2.4	794	27¼	25¾	26⅛	—⅜
ColaNl	.16	1.1	3213	14¾	12⅞	14¼	+1⅛
Colorcs			8892	3	1½	2⅞	+1⅛
ColFst			69	6¼	5¾	5¾	—⅛
ColHsp s			2118	16¼	15½	15¾	—⅛
Comair	.40	2.0	1483	20	19	20	+¾
Comrco			2918	4⅜	3⅝	3⅜	—⅛
Comcst	.12	.8	4560	14¾	13⅛	14⅛	+1
Comc sp	.12	.9	19950	13¾	12⅝	13¼	+¾
Comcoa			48	10⅝	10½	10½	—¼
CmdtHd			366	3¾	3¼	3¼	
Cmdial			1579	⅞	⅝	¾	+⅛
Comeric	2.60	4.9	3082	53¾	52	53½	+1
Cmer pf	4.32	9.2	2	46¾	46¾	46¾	—⅜
ComBc	.45b	6.4	154	7½	7	7	
CmBc pf	1.50	12.8	9	11¾	11¾	11¾	
CmBcsh	.72	3.0	1003	24½	24	24	—⅝
CmClr	1.40	2.7	248	53	50	51½	+1
CmceBc	.10b	1.2	220	8¾	8¼	8¼	—⅛
CmBCol			10	6⅛	6⅛	6⅛	—⅛
CmcFdl			846	4	3⅝	4	+⅛
CwltBn	.88	6.6	239	13⅞	13¼	13⅜	+⅜
CmCblNC	†		442	10⅝	10¼	10¼	—⅛
ComSy	.24b	2.7	1622	9⅜	8½	9	+¼
ComTm			127	⅝	½	⅝	+⅛
CmtyBn			59	4¾	4¼	4¼	

صكنا من الاجل

New International Bond Issues

Compiled by Laurence Desvilettes

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
Floating Rate Notes						
European Investment Bank	DM 700	1998	¼	100	—	Below 3-month Libor. Callable at par from 1993. Fees 0.20%. (Salomon Brothers.)
Mortgage Securities Number 2	£ 50	2028	0.18	97.80	—	Over 3-month Libor until 1999 and ½ over thereafter. Callable at par from 1994. Fungible with outstanding issue, raising total to £250 million. Fees not disclosed. Denominations £100,000. (Baring Brothers & Co.)
Fixed-Coupons						
Eksportfinans	$200	1995	8⅛	101.22	98.40	Noncallable. Fees 1⅝%. (Credit Suisse First Boston.)
General Electric Capital Corp.	$250	1998	8⅝	99.60	99.15	Noncallable. Fees 0.30%. (Kidder Peabody Securities.)
IMI Bank Int'l	$300	1996	8⅜	101.14	98.70	Noncallable. Fees 1⅞%. (Credit Suisse First Boston.)
ABB Capital	DM 100	1998	8¼	101½	—	Noncallable private placement. Fees 1⅝%. (UBS Germany.)
Guinness	FF 1,000	1996	9¾	101.60	99.38	Noncallable. Fees 1⅞%. (Société Générale.)
Bayerische Vereinsbank	ITL 150,000	1996	12½	101¾	100.00	Noncallable. Fees 1⅝%. (Banco di Roma.)
Daimler-Benz Int'l Finance	ITL 100,000	1996	12½	101.85	100.10	Noncallable. Fees 1⅞%. (Banca Commerciale Italiana.)
European Economic Community	ECU 500	1996	9¾	102¾	101.90	Noncallable. Fungible with outstanding issue, raising total to 1 billion ecus. Fees 0.25%. (Credit Suisse First Boston.)
European Economic Community	ECU 500	1998	9¼	100.85	99.70	Noncallable. Fees 0.30%. (Dresdner Bank.)
CIBC London	C$ 100	1994	10⅝	100.92	100.05	Noncallable. Fees 1⅝%. (Wood Gundy.)
Nationale Nederlanden U.S. Holdings	C$ 125	1994	10⅝	101.60	100.35	Noncallable. Fees 1⅝%. (Bankers Trust Int'l.)
Nippon Telegraph & Telephone	C$ 200	2001	10¼	99.28	—	Noncallable. Fees 0.375%. (Deutsche Bank Capital Markets.)
Swedish Export Credit	C$ 100	1996	10¼	101.70	100.00	Noncallable. Fees 1⅞%. (Hambros Bank.)
Toyota Motor Credit	C$ 125	1994	10¼	101.34	100.15	Noncallable. Fees 1⅝%. (Wood Gundy.)
Finance for Danish Industry Int'l	Y 10,000	1996	8½	100.10	—	Noncallable. Fees 0.10%. Denominations 100 million yen. (J.P. Morgan Securities.)
Kobe Steel	Y 50,000	1998	7.10	101¾	—	Noncallable. Fees 1⅞%. Denominations 10 million yen. (Nomura Int'l.)
Marubeni Int'l Finance	Y 10,000	1996	7.35	101.35	—	Noncallable. Fees 1⅝%. Denominations 10 million yen. (Yamaichi Int'l.)
Marubeni Int'l Finance	Y 10,000	1996	7.35	101.35	—	Coupon will be 7.35% in first three months, 8½% in next 21 months and 6.45% thereafter. Noncallable. Fees 1⅞%. Denominations 10 million yen. (Yamaichi Int'l.)
NEC	Y 20,000	1995	7.10	101	—	Noncallable. Fees 1⅝%. Denominations 10 million yen. (Daiwa Europe.)
NEC	Y 30,000	1998	7	101	—	Noncallable. Fees 1⅞%. Denominations 10 million yen. (Daiwa Europe.)
Nippon Sanso	Y 20,000	1998	7.20	101.60	—	Noncallable. Fees 1⅞%. Denominations 10 million yen. (Yamaichi Int'l Europe.)
Osaka Gas	Y 30,000	1998	7	101	—	Noncallable. Fees 1⅞%. Denominations 10 million yen. (Nomura Int'l.)
Sumitomo Realty & Development	Y 30,000	1995	7.20	101⅛	—	Noncallable. Fees 1⅝%. (Daiwa Europe.)
Equity-Linked						
Sumitomo Bakelite	$120	1995	4¼	100	109.75	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set March 5. (Nomura Int'l.)
Tiffany & Co.	$ 50	2001	6⅞	100	—	Callable at 140 in 1994. Convertible at $54 per share, a 17.89% premium. Fees 2½%. (Lehman Brothers Int'l.)
Tokyu Construction	$170	1995	4¼	100	109.50	Noncallable. Each $10,000 note with two warrants exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set March 5. (Yamaichi Int'l Europe.)
KYC Machine Industry	DM 50	1995	4½	100	111.25	Noncallable. Each 5,000-mark note with five warrants exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set March 5. (Nikko Securities Deutschland.)
Riken	DM 100	1995	4½	100	106.50	Noncallable. Each 1,000-mark note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set March 4. (Dresdner Bank.)
Shinko Wire	DM 50	1995	4½	100	110.25	Noncallable. Each 5,000-mark note with five warrants exercisable into company's shares at an expected 2½% premium. Subscription price may be revised downward after July 1993. Fees 2¼%. (Yamaichi Bank Deutschland.)
RMC Capital	£ 78	2006	8¾	100	103.00	Semiannually. Callable at par in 1999. Convertible at 810 pence per share, a 14% premium. Fees 2½%. (J. Henry Schroder Wagg.)

Economic Hopes Spell Gloom for Bonds

Compiled by Our Staff From Dispatches

NEW YORK — As signs of economic revival fast replace war news in the headlines, many economists and traders fear the recent rally in bonds may have peaked.

Long-term interest rates climbed sharply on Friday as more inves-

U.S. CREDIT MARKETS

tors moved into issues with shorter maturities. Dealers attributed the trend to a growing belief that the end of the Gulf war will hasten the end of the recession, stimulate demand for credit and lift inflationary pressures.

Any positive economic development is considered negative news to investors in fixed-income debt issues, who fear that inflation will erode the value of their holdings.

"For the immediate future, the Street thinks it owns too much paper, the consumer is back, and the Fed is not going to ease soon," one bond trader said.

The U.S. Treasury's benchmark 7⅞ percent, 30-year bond ended at 95 15/32 Friday, down 30/32. With the big decline, the long bond's yield shot up to 8.29 percent from 8.20 percent Thursday and 8.06 percent a week ago.

Also weighing on prices of fixed-income securities was a surge in the closely watched Commodity Research Bureau's index of 21 basic food items and industrial materials. The index, which uses a 1967 base of 100, jumped by 2.39, to 217.94. A week ago the index had been hovering above a four-year low.

"The sudden surge in the CRB index frightened many, because it had been cited for many months as a sign that inflation was no longer a problem," said Steven R. Ricchiuto, chief economist at Barclays de Zoete Wedd Securities Inc.

Many market participants said the February employment report due out this Friday offers the one real hope for the bond market. But players were skeptical that even a big drop in employment would help bonds for long or spur the Federal Reserve to ease.

On average, analysts expect nonfarm payroll data, which measures jobs created or lost, to drop by 98,000, following a sharp drop of 232,000 jobs in January.

But the range of estimates was wide, from a drop of 22,000 jobs to a decline of 180,000. Economists attributed the disparity to difficulty tracking volatile retail and construction employment patterns.

A drop to 35.4 percent in the February employment index within the National Association of Purchasing Management's report on Friday seemed to support the lower estimates, said Dan Seto, economist at Nikko Securities Co. International. It was the lowest level in that index since November 1982.

Economists also expect the unemployment rate to edge up to 6.3 percent from 6.2 percent in January.

They recalled that January employment data helped prompt the Fed to ease both the discount rate and the Federal funds rate the same day. But few expect such fast action this month.

If the report is weak, "there might be a tendency to view it as old news," said Nancy Vanden Houten, economist at Merrill Lynch & Co. "The rules of the game have changed a bit because the war is over and the Fed is looking at other things. If it sees sustained signs of money growth, it may be more comfortable with a lower employment report."

As for bond yields, a weak employment number is not expected to provide lasting relief. "If we get a down number, the market certainly won't go back to the old highs," the trader said. "We could get a bounce but it will sell off."

Also scheduled this week is data on factory orders for January, due out on Tuesday. Analysts expected orders to be down 0.6 percent, after being unchanged in December.

(Reuters, NYT)

Sizable Loss Is Expected At Midland

Reuters

LONDON — Midland Bank PLC is expected to be the only bank among Britain's top four to report a loss when it releases 1990 results on Tuesday, and analysts believe it may cut its dividend.

Broker estimates range from a pretax loss of £34 million ($64.6 million) to a loss of £120 million. It had a £261 million loss in 1989.

The most optimistic outlook is for an unchanged 18 pence per share dividend. But some analysts argue there is justification for a cut. Midland would be the first bank in Britain to do so in almost 50 years.

A Midland spokesman declined to comment on the dividend. Banking sources said this would be decided at a board meeting Monday.

John Tyce, an analyst at Nomura Research, said that a dividend cut was possible, but that Midland might justify its reluctance to do so by arguing about the blow to depositors' confidence.

Nevertheless, Mr. Tyce said that BankAmerica Corp. paid no dividend for over two years and emerged rehabilitated with a stock that moved to $33 this year from under $4 two years ago.

■ Nat-Ned Merger Proceeds

Nationale-Nederlanden NV said Sunday its merger with NMB Postbank Groep NV will become effective on Monday, after more than 90 percent of shareholders in both companies tendered their shares in favor of the combination, Reuters reported from Amsterdam.

Nat-Ned, the largest Dutch insurer, and NMB, the third-largest bank, said shares in the merged group — Internationale Nederlanden Group — would be listed on the Amsterdam Stock Exchange from Monday.

France Preparing To Lower Its Rates

Reuters

PARIS — France is preparing to lower interest rates to help repair the economic damage of the Gulf war, and economists say only the timing of the cut is in doubt.

Now that Bonn has made further monetary tightening by the Bundesbank less likely by raising taxes, Finance Minister Pierre Bérégovoy believes Paris has more leeway to join the trend to cut rates, already well established in the United States and Britain.

"It's the market that sends us very clear signals in this respect," Mr. Bérégovoy said late last week. "And the signs are pointing in the right direction."

A reduction in the Bank of France's 9.25 percent intervention rate is certainly discounted in the money markets, from which the bank has offered to drain funds two days in a row at 9¼ percent in order to put a floor under call money.

"The market is very ripe for a cut, and I think it could come soon," said Erick Muller, economist at Crédit Commercial de France.

He called Mr. Bérégovoy's remarks Thursday a tried and tested procedure.

"You let the markets anticipate a drop in rates, then you make a comment encouraging the markets, and then you act," he said. "It's a well-worn scenario that avoids any shock."

The only practical constraint on France would appear to be the position of the franc in the European Monetary System.

Although it has held up fairly well against the Deutsche mark since the Bundesbank raised interest rates half a point on Jan. 31, the franc is close to its EMS floor against the peseta. While this mainly reflects high Spanish interest rates, the franc is showing signs of softness within the grid.

If Spain cuts rates soon, France might get more leeway to act, but Victor Fernandes of J. P. Morgan thought the Bank of France would wait until mid-month.

Economic fundamentals in France all point to lower rates.

Industrialists slammed on the brakes in the fourth quarter because of the Gulf war, bringing a 0.4 percent drop in gross domestic product as investment fell and inventory building slowed sharply.

Unemployment rose to 9.1 percent in January, from 9.0 percent in December, mainly because of industrial layoffs.

And corporate France remains pessimistic, according to official surveys. Although consumer spending rose in the fourth quarter and is expected to accelerate now the Gulf war is over, a number of economists foresee a further drop in overall output in this quarter.

"The slowdown in activity could be more pronounced than expected," Olivier Eluere of Crédit Lyonnais said.

Each percentage point drop in economic output costs the government about 10 billion francs ($1.9 billion) in tax revenue. Anticipating the lower tax revenue and the cost of the war, the government already has decided to cut 1991 spending by 12 billion francs, or about 1 percent.

Nigerian Debt Accord Set

Reuters

LONDON — Nigeria and its creditor banks have signed an agreement on restructuring about $5.6 billion of debt, bankers close to the negotiations said.

The accord, signed Saturday after a series of meetings here, includes three options from which creditor banks will choose.

These are a debt buyback by Nigeria of up to 60 percent of the outstanding amount at a rate to be set by the country. Also in the deal are debt-conversion bonds and a traditional rescheduling option with 10 percent new money.

The agreement was signed by Finance Minister Alhaji Abubakar Alhaji and the central bank governor, Abdulkadir Ahmed, and by the co-chairmen of the bank steering committee, Standard Chartered Bank, Banque National de Paris and Citicorp.

The buyback will be financed by Nigeria from its reserves, which stood at $1.8 billion, excluding gold, at the end of 1990. It is thought that the buyback option will mean banks tendering their debt at about 40 percent of face value, effectively a 60 percent debt write-off.

On Friday, Nigerian restructured debt was bid at 39.5 percent of face value on the secondary market for sovereign loans.

Euromarts At a Glance

Eurobond Yields

	Feb. 27	Feb. 20
U.S. $, 8 yrs & over	8.57	8.73
U.S. $, 5 to 7 yrs	8.44	8.44
U.S. $, less than 5 yrs	7.81	8.04
Pounds sterling, less than 5 yrs	11.83	11.86
French francs, less than 5 yrs	9.76	9.75
Ital. lire, less than 5 yrs	12.58	12.71
Danish kroner, less than 5 yrs	9.92	9.82
ECU, 8 yrs & over	9.24	9.22
ECU, 5 to 7 yrs	9.27	9.29
Can. $, less than 5 yrs	10.53	10.26
Aus. $, less than 5 yrs	12.30	12.48
N.Z. $, less than 5 yrs	12.51	12.51
Yen, 5 to 7 yrs	6.83	6.97
Yen, less than 5 yrs	7.03	6.99

Source: Luxembourg Stock Exchange.

Weekly Sales

Feb. 28

Primary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	172.90	1,356.50	1,822.10	3,493.50
Convert.	—	—	—	—
FRNs	65.00	329.30	240.00	817.80
ECP	5,110.80	3,071.30	11,473.40	4,632.90
Total	5,348.70	4,757.10	13,535.50	8,944.20

Secondary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	6,628.90	22,870.90	16,170.40	29,417.50
Convert.	134.10	574.80	562.60	745.20
FRNs	1,815.50	1,847.10	5,033.00	3,409.00
ECP	4,761.00	4,713.70	3,449.50	5,917.90
Total	13,339.50	31,106.50	25,215.50	39,589.60

Source: Euroclear, Cedel.

Libor Rates

March 1

	1-month	3-month	6-month
U.S. $	7 1/16	6 15/16	6 15/16
Deutsche mark	9⅛	9 1/16	9 1/16
Pound sterling	13 3/16	12⅞	12 3/16
French franc	9 5/16	9⅜	9 7/16
ECU	9 9/16	9 9/16	9 9/16
Yen	8 9/16	8 3/16	7⅞

Sources: Lloyds Bank, Reuters.

U.S. Treasury Bonds

March 1

Maturity	Close Bid	Close Ask	Yield	Wk.-ago yield
28.02.93	99 7/32	99 9/32	7.18	6.99
15.02.94	98 19/32	98 21/32	7.41	7.20
31.12.95	100 2/32	100 4/32	7.60	7.40
29.02.96	98 27/32	98 29/32	7.78	7.58
15.01.98	99 12/32	99 14/32	7.99	7.80
15.02.01	97 17/32	97 19/32	8.12	7.92
15.02.11	109	109 4/32	8.31	8.09
15.08.21	95 16/32	95 18/32	8.28	8.07

Source: Salomon Inc.

U.S. Consumer Rates

March 1

Tax Exempt Bonds Bond Buyer 20-Bond Index	7.36 %
Money Market Funds Donoghue's 7-Day Average	6.27 %
Bank Money Market Accounts Bank Rate Monitor Index	5.48 %
Home Mortgage, FHLB average	n.a. %

Source: New York Times Service, UPI.

WALL STREET REVIEW

Figures as of close of trading Friday, March 1.

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
RJR Nb n	482145	18¼	8½	9⅞	+2
PhilMr	143295	69¾	64⅞	66	−1¾
WstgE s	138417	30¾	26¼	27⅛	−2⅞
FordM	137047	33½	29⅞	33¼	+3¾
Boeing s	126602	49⅝	45½	49¼	+1⅞
vjLTV	118497	2⅜	1	2½	+1½
WalMt s	102046	38⅛	33½	36⅛	−1⅛
IBM	101797	135⅛	127½	131	−2¾
GnMotr	91895	39⅞	35⅝	39½	+3⅛
GenEl	90645	70½	67¼	68⅞	+ ¼
PepsiC s	90501	35	31¾	33	− ¾
LaidlwB	89611	17¼	15⅝	16¼	− ⅛
RJR Nb wi	83356	10	8	9⅞	+1¾
Fluor	81477	54¾	46⅞	52⅞	+6⅛
Glaxo	75316	38⅝	35¼	37⅞	+1⅞
Dresr s	74397	28½	23¼	26¾	+2⅝
BakrHu	73322	31	27⅞	29	+2⅝
SecPac	70351	33⅛	23¾	32	+7¼
Upjohn	69795	48	42¾	46½	+3⅝
SchrPl s	68731	50	47⅝	49⅝	+2
Exxon	65503	56	53¾	55⅝	+2
Waste	63098	42¾	39⅝	42¼	+3½
Limitd s	63097	24	22⅞	23⅝	+ ½
AT&T	61961	34	33¼	33½	+ ¼
AmExp	61033	26⅛	23¾	25⅝	+ ½

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
FruitL	44271	13⅞	11½	13¾	+2¼
ENSCO	42688	3⅛	2⅝	3	+ ½
vjCntAr	40199	3¾	2⅞	3½	+ ¾
CornCr	32812	19	16⅝	18⅝	+1⅛
Amdhl	29213	16¼	14½	14⅞	−1
Nabors	26652	8¼	6½	7⅛	+ ¾
Wthfrd	23878	7	5½	6⅝	+1⅛
Hilnov	20764	2⅞	2	2¼	+ ⅛
DowC rt	17254	4⅞	3⅝	4⅞	+ ⅜
EchoBy	15874	8⅝	7⅛	8¼	+1
Diasonc	15764	4⅛	3⅞	4⅛	+ ⅛
BolrPh	13530	5⅞	4½	5⅝	+1⅜
BAT In	13348	12⅞	12⅛	12⅞	+ ⅛
SNk 93cwt	11671	4⅞	4⅛	4¼	
PrkP wi	11554	11¼	9⅝	11⅛	+1½
Hasbro	11181	24½	22¾	24¼	+1½
WangB	10562	3½	3¼	3¼	
FountH n	10059	24	22⅝	23⅝	+ ⅛
InstSy	9961	2⅞	2⅛	2⅝	+ ½
A-ple sc s	8576	11¼	10⅛	11⅛	+ ⅜
A-pe sc	8135	11	9⅞	9½	− ⅜
Nichlns	7906	13¾	12⅝	13⅝	− ¼
Kirby	7234	10⅛	8⅝	10⅛	+1⅝
PW Nk cwt	7170	4¼	3⅝	3⅞	
Nabr wi	7042	3⅛	2⅝	3	+ ⅜

NYSE Sales

	Sales Vol.
Total for week	1,013,920,000
Week ago	775,110,000
Year ago	808,170,000
Two years ago	778,310,000
Jan 1 to date	8,177,680,000
1990 to date	7,077,460,000
1989 to date	7,238,500,000

AMEX Sales

	Sales Vol.
Total for week	82,690,000
Week ago	87,000,000
Year ago	85,830,000
Jan 1 to date	574,180,000
1990 to date	621,160,000

NYSE Diaries

	This Wk	Last Wk
Advanced	1263	888
Declined	702	1021
Unchanged	246	299
Total issues	2211	2208
New Highs	223	240
New Lows	12	11

AMEX Diaries

	This Wk	Last Wk
Advanced	459	410
Declined	325	371
Unchanged	184	183
Total issues	968	964
New Highs	86	72
New Lows	14	9

INTERNATIONAL BusinessWeek

This week's topics:

- Winning The Peace: Special Report
- Can America's Software Lead Last?
- Nike and Reebok Sprint Across Europe
- Alain Gomez's Troubles At Thomson
- Japan's Companies Discover Women

Now available at your newsstand!

BusinessWeek International
14, av d'Ouchy, CH-1006 Lausanne, Tel 41-21-617 4411
For subscriptions, call toll-free
France 19-0590-8514 and UK 0800 289137

Banker Calls on Arabs To Repatriate Funds

Agence France-Presse

ABU DHABI — Citizens of the Gulf states should concentrate their investments at home and repatriate part of their vast overseas holdings of $670 billion to help the region recover from the war, the central bank governor of the United Arab Emirates said.

"GCC states have been and will remain capital exporters as huge funds are available here," said the official, Abdul Malik Yousuf Hamar, referring to the Gulf Cooperation Council.

"But why are such funds invested abroad, and why are there calls for importing foreign capital?"

"The right approach is for the enormous Gulf funds invested in other countries to be partially repatriated, instead of insisting on attracting foreign capital," he said Saturday.

Local investments are a mere fraction of Arab overseas assets of nearly $670 billion, mostly owned by the Gulf council states of Saudi Arabia, Bahrain, Qatar, Kuwait, Oman and the United Arab Emirates.

Investors complain the Arab world lacks profitable businesses and guarantees for their funds. Governments and the private sector also believe the Arab market is too small to absorb those funds.

Gulf millionaires are also discouraged from investing locally because of political instability.

During the 1980-1988 Iran-Iraq war and the recent hostilities between the U.S-led coalition and Iraq, billions of dollars were reported to have been transferred out of the region.

Some Gulf states have set up stock markets while the rest are planning to open them in a bid to attract local investment.

But dealing has remained low because people tend to keep their shares as a long-term investment and trading is confined to nationals in most Gulf markets.

Economists believe part of Arab funds abroad could return if regional states improved the investment climate and allowed free movement of capital.

"The flight of funds is mainly due to the absence of organized investment channels in the Arab countries," said Ghazi Nafisi, chairman of the Kuwaiti National Investment Co.

"Except Egypt and to a lesser extent Jordan, no Arab state offers a fixed long-term plan for private and public investors."

Mr. Hamar urged the Riyadh-based GCC secretariat to prepare a study on investment opportunities in each member after the Gulf war.

"This will enable authorities to adopt the financial policies needed to direct funds toward appropriate sectors," he said.

Leaner Times for Gulf Banks

Reuters

MANAMA, Bahrain — International banks in the Gulf are retrenching and seeking more specialized roles to survive in a constrained postwar financial climate, according to managers in the region's offshore banking center, Bahrain.

They predicted that some of the smaller offshore banks that swarmed in to suck up petrodollars during the oil boom years of the 1970s will shut their doors.

"Smaller banks were a creation of the boom," one manager said. "Some are already rationalizing themselves into oblivion."

Those that remain should be leaner and fitter, more expert in particular areas of business, and more concerned with raising revenues than building up asset bases.

"None of us are going to be asset-driven," said a senior loans manager. "There will be much less emphasis on lending, more on revenues."

Banks that relied too heavily on interest earnings from huge loan portfolios over the past 20 years have seen their loans go bad through Third World debt crises and squeezes in the corporate, real-estate and farming sectors of industrial nations.

As a result, Gulf banks have been following an international banking trend to generate more reliable earnings from fees on banking, investment and treasury business.

Even within the region, the coalition war against Iraq was not the beginning of their problems. The structure of the market was changing throughout the 1980s as oil prices fell and with them the revenues of regional governments.

But Iraq's invasion of Kuwait on Aug. 2 choked off early signs of a regional economic recovery and created a new crisis of confidence in the region.

The three highest-profile Bahrain-based institutions — Arab Banking Corp., Gulf International Bank and Investcorp — are taking different tracks in the search for profitable niches.

Gulf International has chosen the regional role, local bankers say. The fact that the bank is jointly owned by the Gulf Arab states of Saudi Arabia, Kuwait, Bahrain, the United Arab Emirates, Oman and Qatar — with Iraq also on the board — has guided its decision to focus on regional clients and reconstruction.

Gulf International let many of its senior staff go in January but retained strong teams to deal with corporate business and fund management for local institutions, and to build up its position as a major player in Gulf currencies.

Arab Banking Corp. seems to be taking the international road. It will open a wholly owned banking subsidiary in London on April 1, and plans to eventually roll its European operations into the new ABC International Bank PLC.

Already last year, the bank had 56 percent of its business in Europe, 17 percent in the Arab world, and the rest roughly equally shared between Asia, North America, and Latin America.

Investcorp has carved out a niche as a local investment manager offering a door into international markets.

The company has created a business to provide investment services to local institutions and very wealthy individuals, investing mainly in international companies and property.

The Gulf war also flushed out some banks that were already having problems.

Bahrain's total number of offshore banking units has fallen to 52 from a peak of around 75 in the mid-1970s. Total assets of those banks reached a record of around $75 billion in the first few months of 1990, from an average of around $60 billion in the 1980s, official figures show. But that is less impressive than it appears when inflation and the fall in the international value of the dollar since 1985 are taken into account.

EURASUD

SICAV

The Board of Directors, convened on January 31, 1991, voted to call an Extraordinary General Meeting of Shareholders of the EURASUD SICAV for April 3, 1991 at 4.30 PM at the company's registered office at 5 avenue de l'Opéra, 75001 Paris, France.

The purpose of the Meeting is to submit proposed amendments to the articles of association governing rules for the valuation of negotiable debt securities. Further, the Board closed the accounts for the second financial year covering the period from January 1 to December 28, 1990.

A net dividend of FF 6.34 per share for the 1990 financial year will be proposed to shareholders at the Ordinary General Meeting (to be held on the same day as the Extraordinary General Meeting). The dividend is made up as follows:

Source of income (in FF)	Net amount	Individual investors Tax credit	Individual investors Gross amount	Institutional investors and others Tax credit	Institutional investors and others Gross amount
French equities	1.42	1.78	3.20	1.67	3.09
Negotiable debt securities	2.12	-	2.12	-	2.12
Other income	2.80	1.39	4.19	1.31	4.11
TOTAL	6.34	3.17	9.51	2.98	9.32

Subject to approval at the Ordinary General Assembly, this coupon will be detached on April 12, 1991 and payable as of April 15, 1991. In view of this timetable, only subscription orders received by April 11, 1991 will be processed on the basis of the net asset value cum rights.

Registered office: 5, avenue de l'Opéra - 75001 Paris - France
Tel (33-1) 49.27.63.00

WEAPONS: *Sifting Combat*

(Continued from first finance page)

hope of extending what humans can do while keeping them out of harm's way.

In the next century, it could go farther. The chilling scenes of Tomahawk missiles cruising low over populated areas in Iraq offered only a glimpse of the steady, and controversial, march toward the total dehumanization of war.

On land, sea and in the air, autonomous tools could be put to work. Even land mines, one of the battlefield's crudest weapons, are being endowed with computer intelligence.

Marvin S. Stone, general manager of the electronics and technology division of TRW Inc., said: "Everything will be smart. All of the weapons will be more autonomous."

BCCI Said to Run Washington Bank

By Dean Baquet

New York Times Service

NEW YORK — District Attorney Robert M. Morgenthau of Manhattan, whose investigators are tracking a string of multimillion-dollar transactions around the world, has concluded that a foreign bank convicted of money laundering secretly controls the biggest bank in Washington.

His investigators, along with a state grand jury here, are trying to determine whether Clark M. Clifford, the former presidential adviser who is chairman of First American Bankshares Inc., knew of the connections between the bank and the Bank of Credit and Commerce International, of Luxembourg.

BCCI has admitted that it laundered millions of dollars for Manuel Antonio Noriega, the former ruler of Panama.

First American released a statement acknowledging that the U.S. Federal Reserve had been told that BCCI might have lent "substantial monies" to Middle Eastern shareholders of First American, that First American stock was pledged as collateral for the loans, and that the loans might not be current. Law-enforcement officials said the Fed had referred information to the Justice Department about possible criminal violations.

"As a result of these overseas financial dealings — unknown to First American or its regulators — BCCI may be deemed by the Federal Reserve to have obtained control over some portion of the company's stock," the bank said. "At no time, however, has BCCI ever exercised any actual control over the management or operations of First American."

If prosecutors can prove that BCCI owns First American, it would mean that a largely unregulated international bank suspected of using its books to launder money for drug and arms dealers also had access to a large American bank with $11 billion in assets.

"It raises the question, Is First American facilitating the laundering by BCCI?" Mr. Morgenthau said Friday.

The district attorney's investigation could raise concerns about the thoroughness of the bank regulators, who in 1981 permitted a group of Middle Eastern investors to buy First American, then known as Financial General Bankshares.

Government records indicate that the regulators suspected these investors had financial ties to BCCI, but that they backed off when Mr. Clifford, who is widely respected in Washington political and legal circles, said he would serve as chairman of the bank.

GERMANY: *State Limits Role*

(Continued from first finance page)

jobs that are profitable and those that are never likely to be so.

No other reforming East European country has set up any such body to make industry responsive to the bottom line so quickly.

"The more successful we are in doing our work, the sooner we will disappear," said Detlev Rohwedder, the president of the Treuhandanstalt.

Most economists agree that the ground for the Ordnungspolitik vision of a vibrant and largely self-sustaining private sector was more fertile in postwar West Germany than in eastern Germany today.

West Germany was then in many ways an ideal economic laboratory.

Eastern Germany today, by contrast, is being thrown into a mature and vastly more competitive world.

WORLD STOCKS IN REVIEW

Via Agence France-Presse

Amsterdam

Amsterdam stocks closed higher last week, with the CBS all-share index rising 2 percent to 182.5 from 178.4 the previous Friday.

Many listed companies released 1990 results, but there were no *pleasant surprises*, and traders said Gulf news was the main reason for the market's gain.

Turnover totaled only 8.1 billion guilders, 3.9 billion of which was in equities. The previous week, turnover was 10.3 billion with 3.6 billion in equities.

The Kempen & Co. brokerage sees no reason for any strong market rise in the short term.

Frankfurt

The Frankfurt market was influenced more by negative domestic factors, such as tax increases, than by optimism stemming from the end of the war in the Gulf last week.

The DAX spot trend indicator ended the week at 1,516.74, down 65.78 points, or 4.16 percent. The Commerzbank indicator showed the same trend, finishing at 1,845.10 points, down 56.

Volume on the eight German stock exchanges totaled only 36.33 billion Deutsche marks, against 40.73 billion DM the previous week.

The bond market was depressed, and the average yield on government issues rose to 8.55 percent on Friday, against 8.52 percent.

Hong Kong

Share prices surged in active trading, with the Hang Seng index gaining 77.03 points, or 2.2 percent, on the week, to 3,552.37.

Average daily turnover rose slightly to 1.6 billion Hong Kong dollars, against the previous week's 1.54 billion dollars.

Friday's session capped a month of solid improvement for the local market, and dealers anticipate a new surge on the strength of new incentives now that the war is over.

London

Share prices finished firmly ahead at the end of a week dominated by the overwhelming victory of the allied forces in the Gulf war.

The reduction of base lending rates by 0.5 percentage point, to 13 percent, helped maintain the firm trend in spite of company results highlighting the poor state of the economy.

By Friday's close, the Financial Times stock exchange index of 100 leading shares had progressed to 2,386.9, up 72.6 points on the week.

Milan

Milan stocks lost some ground on the week, primarily due to profit-taking.

The MIB index closed on Friday at 1,093, down 2.06 percent from the previous Friday.

Volume was stable at 285 billion lire a day on average, or 70 million shares.

Operators said the market showed no particular reaction to the Gulf cease-fire, as a quick resolution of the crisis had been anticipated. Some pessimism was in evidence due to the Italian economy's difficulties and lower results reported by some companies.

Paris

The Paris Bourse made a modest gain on the week. The CAC-40 stock price index finished at 1,746.79, up 1.8 percent from the previous Friday.

Dealers said the main positive factors were the end of the Gulf war and hopes for lower interest rates. But they added that a decline in rates would be difficult to put through now because of the mark's strength against the franc.

A major negative factor on the Bourse is the slowdown recently displayed by the French economy, with rising unemployment, price pressures, a worrisome trade deficit and widespread business pessimism.

Singapore

Gulf war news boosted Singapore stocks during the week. The *buoyant bourse was also aided by* healthier regional markets and a stronger Singapore economy, brokers said.

The Straits Times industrial index moved up through the 1,420-point resistance level, picking up 52.53 points, or 3.72 percent, to end the week at 1,462.98. The Stock Exchange of Singapore all-share index climbed 14.70 points to finish the week at 395.43.

Tokyo

Share prices on the Tokyo Stock Exchange ended the week on a mixed note.

The Nikkei average of 225 stocks closed the week Friday at 25,881.57 yen for a minor 0.08 percent, or 21.24 yen, weekly decline.

The Tokyo Stock Price Index of all stocks on the market's first section wound up the week at 1,931.66 points, an 8.78-point advance.

Trading was slow with average daily turnover shrinking to 784.7 million shares from the previous week's 1.039 billion shares. The daily average value of stocks traded also fell to 789 billion yen from 1.15 trillion yen.

Zurich

The Zurich market had an uncertain and dull week, dealers said. Even the end of the Gulf war did not brighten the tone.

The Swiss Performance Index *finished the week at 1,010.9 points*, against 1,011.7 the previous Friday. The Crédit Suisse index ended at 535.1 against 527.9, and the Swiss Bank Corp. indicator at 582.2 against 582.7.

The Bull Appears Set To Stay on Wall Street

Rally Is Seen Extending to Summer

By Robert J. McCartney
Washington Post Service

NEW YORK — The stock market was right on the money in predicting a quick victory in the war. The question now is whether Wall Street's confidence in the economy will prove to be equally accurate.

This year's powerful stock market rally, which took off in mid-January when the first bombs fell on Baghdad, has acquired so much momentum that many analysts predict stock prices will remain on an upward trajectory through the spring and into early summer.

"Without much problem, over the next two to four months, I think we can get to a level of 3,200 on the Dow," said Thomas F. Carpenter, senior vice president and chief economist at ASB Capital Management Inc. in Washington. That would represent a 10 percent gain in the Dow Jones industrial average, which closed on Friday at 2,909.90.

But the market's fate in the second half of the year will depend heavily on whether the economy pulls out of its current slump in *coming months and paves the way* for a significant improvement in corporate profits in 1992, according to Wall Street strategists and portfolio managers. Many experts are worried that a weak banking system, revived inflation and economic downturns abroad may sap the stock market's strength.

"For me, the rest of the first half is going to be fine. It's the second half that's going to be the letdown," said Joseph A. Feshbach, executive vice president and director of technical market analysis at the New York investment firm of Lehman Brothers Inc.

On the brighter side, the kinds of gains racked up by the stock market so far this year historically have been a pretty good weathervane, signaling that business conditions will soon improve. If the economy does indeed pick up, analysts say, then the way could be clear for a prolonged bull market, of the sort that typically lasts for several years.

"We are in a full-fledged bull market," said Alfred E. Goldman, director of market analysis at A.G. Edwards Inc. of St. Louis. "If you didn't happen to buy at the bottom, no problem, bull markets last two to three years."

Mr. Goldman predicted that only a severe slump in the economy could reverse the bull market.

On the other hand, even the most bullish forecasters stress that the market typically fluctuates considerably whether the overall trend is up or down. And Mr. Goldman said the market was unlikely to match the extraordinary gains it recorded from 1982 to 1989, when the average annual total return on stocks in the Standard & Poor's 500 index was a spectacular 19 percent. "Those were the great days, the super wild days, and half the people who participated are now in jail," Mr. Goldman quipped.

So far this year, the market's performance has been little short of breathtaking. Stocks have staged a powerful, broad-based advance that has lifted them in less than seven weeks to the kinds of gains that they typically register over an entire year.

The rally was sparked by the launch in mid-January of the U.S.-led coalition's air war against Iraq. The initial military successes, followed by a steady stream of good news from the front, confirmed widespread forecasts on Wall Street that the war would be short and the allies victorious.

Since Jan. 16, the day before the bombing began, the Dow average of 30 blue-chip stocks has risen 16 percent, and many smaller stocks have registered gains of more than 20 percent.

While the war was the trigger for the rally, the fuel has been a massive injection of money into the economy by the Federal Reserve Board.

BUSINESS BRIEFS

Troubles Mounting for Hanbo Group

SEOUL (Reuters) — A construction company at the center of a bribery scandal that embarrassed the government of President Roh Tae Woo has asked to go into court receivership, the state radio said Sunday.

Hanbo Housing Development Co. asked the Seoul District Court to take over the running of the company to help prevent it from becoming insolvent, the Korea Broadcasting System said. The request was made after Hanbo's main creditor, Cho Hung Bank, decided not to extend special support loans to the company.

The chairman of the Hanbo Group, which owns the housing company, was arrested last month for allegedly paying $1.3 million in bribes to eight people, including governing and opposition legislators, a senior construction ministry official and an aide to President Roh. The eight, who helped the chairman gain a multibillion dollar housing project in Seoul, have been detained on bribery charges.

New French TV Channel Is Readied

KOUROU, French Guiana (Reuters) — A new French-language television channel is being launched by the Luxembourg-based Compagnie Luxembourgoise de Télédiffusion, company officials announced.

The CLT associate director for television, John Stock, said that the channel will be transmitted by direct broadcast using the Astra 1B satellite owned by the Luxembourg-based Société des Satellites Européenne. Astra 1B was launched by an Ariane rocket from here Saturday.

SES's Astra 1A satellite has been orbiting since late 1988 and reaches 20 million homes, mainly in northern Europe. The company hopes the 1B satellite will increase the number of viewers by doubling the number of channels to 32.

Dassault to Report 1990 Sales Slump

PARIS (AFP) — Dassault Aviation Group will report Monday that its consolidated sales for 1990 fell 3.4 percent to 18.81 billion francs ($3.6 billion) from 19.52 billion francs in 1989.

The group comprises Dassault Aviation Co. and its subsidiaries, Falcon Jet Corp., Dassault Systèmes, Sogitec and Dassault International.

Eastern Admits It Altered Records

NEW YORK (NYT) — Eastern Airlines, under a plea-bargaining agreement, has admitted that it conspired to prevent the Federal Aviation Administration from determining if its employees and managers were falsifying maintenance records and will pay $3.5 million in fines.

The agreement was made between Andrew J. Maloney, U.S. attorney for the Eastern District of New York, and Martin R. Shugrue Jr., trustee for Eastern. The airline could have faced $26.5 million in fines if Mr. Maloney's office had insisted it plead guilty to all 53 counts.

In one of the most damaging parts of the agreement, Eastern admitted "that a factual basis for its guilty plea exists and will not disclaim its participation in the charges."

Trademark Protection Denied Intel

SAN FRANCISCO (NYT) — A federal judge has ruled that Intel Corp. is not entitled to trademark protection on the name of the 386 microprocessor, the company's most important product and one of the most valuable franchises in the computer industry.

The ruling, by Judge William A. Ingram, who held that "386" is a generic term, will make it easier for competitors to market chips compatible with the 386. The immediate beneficiary is Advanced Micro Devices Inc., which is beginning to sell a chip it says is interchangeable with that of Intel.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, March 1.

(Continued)

Stock	Div	Yld	Sales in 100s	High	Low	Close	Net Ch'ge
Vicor			1259	21	19½	20½	— ¼
Vicorp			4632	24½	22	23⅞	+1⅞
VictBn			130	7¾	7½	7½	
VictCr			28	1¼	1¼	1¼	
VldDsp			253	6	5½	6	+ ½
Videcrl			517	4	3¾	3⅞	
Vidmrk			198	5	4½	4⅞	+ ¼
Vie deFr			2923	1¾	1	1¼	+
VieloBc			9	3	3	3	
Viking			3412	15½	14¼	14½	— ½
VIIIFinl			142	8¾	8⅜	8½	+ ⅛
VIISpM	.15	1.9	74	9	8	8	—1
Virotek			1641	6¼	4¾	6¼	+1
VaBch	.16	6.1	54	2⅞	2⅝	2⅝	— ⅛
VitalSgn			2330	19⅞	18	18¾	+ ¾
Vitalink			8425	9⅛	8⅝	8¾	— ⅛
Vivigen			1167	19	17¾	18	— ¾
Vollint			85	10	9½	10	+1
Volvo	2.14e	4.3	232	50¼	45	50¼	+5¾
W							
WD 40	1.72a	6.0	198	28¼	27	28½	+1
WLR Fd	.32	1.8	1112	18¼	17	18¼	+1¼
WPP Gp	1.11e	30.6	7183	4	2¼	3⅝	+1¼
WSMP			36	3⅞	3¾	3½	
vlWTD			3693	⅞	⅝	¾	+
WainBk			686	7	6	6	— ⅜
Walbro	.10i		84	9¾	8¾	9½	+ ¾
Walshr	.20	1.9	129	11½	10	10¾	— ½
WaltCp	.48	6.6	227	7½	6¾	7¼	+ ¼
WrhseC			59	1	⅞	⅞	
Warntc s			2120	2½	1⅝	1⅞	+ ⅛
Warren			66	1½	1¼	1¼	+ ⅛
WshBcp			20	3¾	2¾	3¼	— ⅞
WashEn	1.36	7.2	4289	19¾	19	19	— ¼
WFSL s	1.04	3.5	3798	30½	28¼	29½	+ ½
WshFOr	.30	2.9	288	11½	10¼	10½	— ¼
WshFDC			32	¾	½	½	
WMSB	.48	2.6	8985	20⅝	18¼	18⅝	— ⅜
WMSB pf	3.75	9.1	862	42¾	41¼	41¼	—1¼
WshScl	.20	3.8	214	5¼	4¾	5¼	+ ¼
WatfdW	.12e	2.7	31	4⅝	3¾	4½	+ ⅞
Watrnse	.15e	3.3	77	4½	4	4½	
WatrIn	.12e	4.2	46	3¼	2⅝	2⅞	— ⅛
Wattsind	.24	.6	3302	43½	41	43½	+2½
WausP s	.60	1.5	617	39½	37¼	39¼	+2
Waver	.40	2.4	61	17¼	16½	16½	
Wavetk			652	3	2½	2¾	+ ½
WbstFn	.52	7.4	472	7	6½	7	+ ¼
Wegenr			41	⅝	⅝	⅝	+ ⅛
WeisTr	.40	3.3	2	12	12	12	
Wellek			5119	14¼	12	13¼	— ¾
Wellgtn	.20	3.1	2030	7½	6	6½	— ⅞
Werner	.12	.6	615	19¾	18	18½	—1¼
Wesbnc	1.30	4.7	31	28	27½	27¾	+ ¼
WstCst			51	1¼	¾	¾	— ¼
WtMass	.28	5.9	28	5¼	4¾	4¾	+ ⅜
WNewin	.16	3.4	538	5	4¾	4¾	+ ¼
WstOne	.96	3.5	711	28¼	27¾	27¾	
Wstcot			3468	5½	5	5¼	+ ¼
WstCap			493	2⅞	2⅜	2⅜	— ⅜
WnFncl			319	1⅝	⅞	1	— ⅞
WFdPR	.80a	4.7	32	17	12¾	17	+4
WnWst s			3190	19¼	17¾	18⅝	+1⅛
WMicTc			269	4½	3½	3½	— ¼
WstnPb			4962	12½	10¼	12¼	+ ⅜
Wstmrk			6291	34	31	33⅞	+2⅝
WmorC	.32a	1.6	342	20	19¼	19¾	+ ¼
Weston			1103	7½	6¾	7	— ⅛
WstpBc			54	5	5	5	— ⅛
WstwOn			1515	2⅝	2⅜	2⅜	— ⅜
WetSeal			8816	16¼	11¼	15¼	+3
Wettra	.64	2.1	2686	30¼	29⅞	30½	+ ¼
WetrPr	.70e	5.1	8	14½	13¾	13¾	— ¼
Weyco s	.60	2.1	2249	29½	28½	28½	— ½
Whorf			7	4⅝	4⅝	4⅝	+ ⅛
Wicat			1119	2⅞	2⅜	2½	
Wiland			195	1⅝	1½	1⅝	+ ⅛
WilyJ A	1.10	3.5	797	31½	30	31½	
Willamt	1.60a	3.2	5454	53	48½	49¾	—2½
WillW	.68	4.9	34	14½	14	14	
Willml			232	4½	4	4½	
WmSon s			2780	25½	22¼	23⅝	—2
WilmTr	1.44	3.4	591	42	40¼	41¾	+1¼
WiserO	.40a	2.6	1796	15½	14⅞	15¼	+ ⅜
WolfFn			542	3½	2⅞	2⅞	— ⅛
Wolohn	.28b	1.8	1282	16½	15⅞	16	— ⅛
WrvExp			8291	2⅝	1⅝	1⅞	— ⅛
WrvEx pf	2.25	27.3	822	9⅝	7¾	8¼	—1½
Wolv wf			2182	1	⅞	¾	— ¼
Woodhd	.48	4.4	193	14	15	15½	
Wordst			9667	2⅞	1⅞	2	+
WrkCap	.17e	1.4	38	12¼	11⅝	11⅝	+ ⅛
Wkmen			195	1¼	⅞	⅞	— ⅜
Wortho	.60	2.6	4211	23⅝	22⅜	22⅞	+ ⅜
Wyman	.40	5.7	4052	x7¼	6⅞	7	— ⅛
X							
XL Dta			1226	7	6¼	6¾	
XOMA			33217	31½	27¼	30¼	+1
XeRite	.12	.9	585	13⅝	13¼	13½	— ⅛
Xicor			1797	2	1⅝	1⅞	
Xilinx			17488	19¼	17¼	19¼	+1
Xplor	.15e	2.1	890	7⅝	7	7	
Xylogic			95	3½	3⅜	3½	
Xyvsn			416	1⅝	1	1⅛	— ⅛
Y							
YonEnS	1.52	7.6	1270	20½	19¾	20	— ⅛
YelowF	.94	3.1	7183	30¼	29⅞	30½	— ⅛
YesClth			24	3⅜	3¼	3⅜	+ ½
YorkFn	.68b	5.8	312	11¾	10¾	11¾	+1½
YorkRs			1110	18⅝	16⅛	18⅝	+ ⅞
Z							
Z Sevn	.13e	.9	12	14¼	13½	13¾	— ½
Zeos			4892	26	23¼	25⅝	+1⅞
Zeus			946	2⅝	1	2⅜	+ ⅞
Ziegler	.52e	3.6	36	14½	13¼	14½	+1½
Zilog			32490	14½	12⅛	14	
ZionBc	1.44	4.1	1303	36¼	35	35	
Zitel			218	5⅝	5⅝	5⅝	
Zycad			4139	1⅝	1½	1⅝	+ ⅜

AMERICAN EXCHANGE OPTIONS

Figures as of close of trading Friday, March 1.

Option & price	Calls Mar	Calls Apr	Puts Mar	Puts Apr
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Total volume 143,491
Open interest 2,262,888 r—Not traded. s—None offered. o—Old.

CHICAGO EXCHANGE OPTIONS

Figures as of close of trading Friday, March 1.

Option & price	Calls Mar	Calls Apr	Puts Mar	Puts Apr
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Total volume 461,378
Open interest 4,927,436 r—Not traded. s—None offered. o—Old.

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

ESCORTS & GUIDES

INTERNATIONAL ESCORT SERVICE
Head office in New York
1841 Broadway, Ste. 1000, NYC 10023
212-765-7896
MAJOR CREDIT CARDS AND CHECKS ACCEPTED

MERCEDES
V.I.P ESCORT AGENCY
9 AM TILL MIDNIGHT - 7 DAYS
MAJOR CREDIT CARDS ACCEPTED
TEL: LONDON
(071) 351 6666

MADRID SHADOWS
Escort Service
Telephone: 341-262.99.93

CROWN CLUB LTD
NEW YORK ESCORT SERVICE
(212) 668-2271

CHELSEA ESCORT SERVICE.
51 Beauchamp Place, London SW3.
Tel. 071-584 6513 Established 18 years.

ESCORTS & GUIDES

ZURICH SUSAN
ESCORT SERVICE. Tel: 01/382 05 80

GENEVA * MELODIE
ESCORT SERVICE. Tel 022/46 11 58

ZURICH
Top Escort Service. Tel: 01/3227609

ZURICH
Carolina Escort Service 01/252 6174

*********TOKYO*********
First Class Escort / Guide Service. Tel: (03) 3351-2278, Discriminating Service for executives.

- LONDON TOP LUXURY ESCORT - VIP's UPPER CLASS MODEL SERVICE. FRENCH, ITALIAN, SWEDISH. c/cards 24hrs. 7 days (travels) 071 581 2069

TOKYO *** TOP ESCORT SERVICE Major credit cards accepted. Tel: (03) 3436-4598.

MADRID IMPACT ESCORT and Guide Service. Multilingual. Visa. Open 11am - midnight. Tel: 261 4142

- ZURICH - DOMINA LADY JANE Escort Service *** Credit cards. Tel: 01 / 252 73 59. Noon till 9pm.

ESCORTS & GUIDES

ISLA LONDON SCANDINAVIAN
Private & Select Escort Service.
071 266 0026/0836 255359

* CHRISTINA * LONDON *
Private continental Escort Service
TEL: 071-730-0405 / 730-2124.

***** TOKYO NEW-TOP *****
MULTILINGUAL GUIDE AGENCY
TEL. 35-86-46-74 TOKYO.

LONDON GEISHA ESCORT SERVICE For Oriental, Chinese, Japanese + Eurasians. Credit cards. 071 370 5957

**** DUESSELDORF & AREA **** Highest Guide Service. Private Connection. 0211-384 93 94.

AMSTERDAM LIBERTY Escort Service. Top Class Ladies. Tel: 020-180604. All credit cards (also dinner dates).

GENEVA-ROYAL-GENEVA
** VIP-ESCORT-SERVICE **
OPEN 7 DAYS. Tel: 022/781.27.72.

* * * MUNICH * * * 91 23 14
ESCORT & GUIDE AGENCY.
THE FRIENDLY SERVICE.

ORIENT JAPANESE CHINESE THAI Escort Service. Days and evenings. Please phone 071 225 3314 London.

GENEVA "LOVE"
Escort Service.
022 / 21 99 61

MILAN & LUGANO EXCLUSIVE **** Multilingual Escort Service. Tel: (39-2) 7602076.

ESCORTS & GUIDES

ST. MORITZ
Escort Service Marilyn & Co.
Tel: 082 / 3.81.26

* LONDON & PARIS LINK *****
First class ladies exclusive VIP French Escort Service London (071) 351-1152

***** FRANKFURT *****
Princess Escort Service, 7 days.
Tel: 069 / 666 25 64.

ZURICH NEW
High class Escort Service.
Tel: 077 / 63 83 32.

ESCORTS & GUIDES

FRANKFURT - "TOP TEN" ESCORT SERVICE. Tel: 069 - 55 88 26. THE BEST IN TOWN. Daily from 2pm.

ROME GIRL ESCORT SERVICE
Telephone 06 - 6390053
6 p.m. to 10 p.m.

BRUSSELS, CHRISTINA Escort and Travel Service. Tel: 02-511-2272. Credit Cards accepted.

BRUSSELS, NEW ILONA'S Escort service. Multi-lingual. Tel 02/733 88 47. Credit cards.

BRUSSELS. KINGA. Private and first class, Exotic Travel and Escort Service. Tel: 02.534.41.34.

ZURICH AMANDA AGENCY
Mutual Escort Service.
Zurich: 383 08 55.

TO OUR READERS IN BUDAPEST

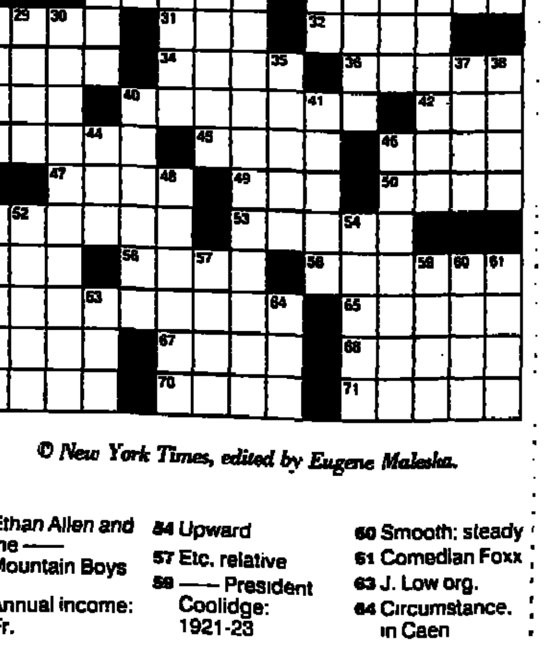
Hand delivery of the IHT is now available on the day of publication. Call today: 175-7735

ACROSS

1 Barrel part
6 Frisco's finest: Abbr.
10 Inquires
14 Port of a sort
15 See 11 Down
16 Albacore or bluefin
17 Watchful
18 Traditions; legacies
20 —— thrush, state bird of 4 Down
22 Bravo, Latin style
23 Hirt and Jolson
24 *Sculled*
26 Almost
28 Delineate
31 Pother
32 Thin wedge
33 "Thanks ——!"
34 Shade of 51 Down
36 Legislate
39 Sixty secs.
40 Skier's asset
42 Luau dish
43 City of India
45 Within: Comb. form
46 Bridge feat
47 Ward heelers
49 Lair
50 Whale
51 Lubricate
53 *Heep of fiction*
55 Bro. or sis.
56 Yemeni port
58 Red ——, state flower of 4 Down
62 Puzzling
65 Another shade of 51 Down
66 Summers, in Caen
67 Bye-bye, in Bath
68 Confronted
69 Tiber tributary
70 Cities in Nev. and Minn.
71 Drift

DOWN

1 Ex-sovereign of Iran
2 Story
3 State
4 Bicentennial state: March 4, 1991
5 Essences
6 Dixie: Abbr.
7 State motto of 4 Down
8 A neighbor of Chile
9 Condescends
10 One —— time
11 Leafy symbol of 4 Down
12 Toll
13 Procacious
19 Snicker
21 Part of a refrain
25 Circus Maximus official
27 Rhone feeder
28 Aladdin's loss
29 Pelvic bones
30 Capital of 4 Down
35 Start
37 Blazer, e.g.
38 Age; era
40 Kind of fir or apple
41 Shaped like a haystack
44 Ship that picked up Glenn
46 Learned person
48 Composed
51 Ethan Allen and the —— Mountain Boys
52 Annual income: Fr.
54 Upward
57 Etc. relative
59 —— President Coolidge: 1921-23
60 Smooth; steady
61 Comedian Foxx
63 J. Low org.
64 Circumstance, in Caen



© *New York Times, edited by Eugene Maleska.*

Solution to Friday's Puzzle

BALM MINSK ARGO
AREA AROMA LEAR
DEAR SWOON LAMB
SHIFTINGGEARS
ADEN ASH
NASCAR MORT WAD
OPAH MAGOO AGO
REVISEDPROPOSAL
MAO EXILE UNTO
SKY ROVE POTTER
AFR ARCS
MASSCONFUSION
CANT ILIAD DRUG
ARTE SADIE EDNA
PEER EVERS ROSS

صكناس الاصل

HUNGARY

TOWARD A MARKET ECONOMY

Ambitious Reforms Revitalize Economy

Hungary is in the vanguard of the economic reform process in Eastern Europe. Hungarians believe they will be able to weather their difficulties and make a smooth transition to a free-market economy. An economic upswing by 1995 would coincide with Hungary's 1,100th anniversary.

Unlike Poland's "Big Bang" or Shatalin's 500-day plan for the Soviet Union, the three-year reform program of Hungarian Prime Minister József Antall's coalition government takes a more cautious approach.

Critics say the government is unwilling to take the painful steps necessary to overhaul the economy. Frigyes Banki, the director general of the Ministry of International Economic Relations, disagrees.

By 1993, 50% of trade will be with the EC

"The general economic and legal framework is already in place," he says. "Shock therapy would not be suitable here. We are tired of stagnation."

Schandor Richter, an expert on Hungarian affairs at the Vienna Institute for Comparative Economic Studies, says change should not be left simply to the play of free-market forces: "Hungary is used to and has found success in a gradual transformation. As long as it does not rely on cosmetic changes, this is probably the right approach for the future as well."

Since the beginning of reforms in 1968, Hungarians were pioneers in moving toward a free-market economy and developing market-oriented structures. They enjoyed a degree of freedom and prosperity unrivaled in Eastern Europe and a watered-down form of socialism commonly termed "goulash communism." Central planning and pricing were eliminated in many sectors, with self-management introduced in some state-owned firms.

Hungarian officials say the country is still a step ahead of its East European neighbors. Hungary has the greatest number of operating joint ventures in Eastern Europe. It has been the forerunner in attracting Western investment, bringing in $1 billion to date, including $600 million last year. General Electric's $150-million purchase of a majority stake in the light-bulb manufacturer Tungsram in 1989 was the first major East European privatization. In 1990, Budapest opened the only stock exchange in the region. The first East European share to be listed in the West was Ibusz, the national travel agency, which was listed on the Vienna exchange.

Seventy percent of hard-currency imports no longer need licensing; the figure is expected to rise to 90 percent in 1991. Foreign firms can fully repatriate profits and basic capital. Thus, Hungary has already achieved wide-reaching, if not yet full, convertibility of its currency.

The country is involved in several simultaneous efforts: to increase exports, internationalize the economy, privatize its state-owned enterprises and attract foreign investment. It is committed to paying off the national and foreign debts, creating a viable capital market and a market-oriented tax system, and checking inflation.

Times have changed. Comecon and the Warsaw Pact are being dismantled; Hungary is negotiating bilateral agreements with its neighbors; and government leaders have officially declared their intention to join the European Community by the year 2000. Hungary and the EC are negotiating an "association agreement," which many Hungarians would like to see as an intermediary stage paving the way for full membership. Expected to take effect on Jan. 1, 1992, the agreement involves legal, cultural, educational, scientific and political cooperation, as well as increased free trade. The goal is a progressive phasing-out of all trade restrictions.

In addition, the World Bank, the International Monetary Fund and the EC are among the organizations providing billions in loans to support the government's "Economic Program of National Renewal," finance infrastructure projects and help offset the negative effects of rising energy prices. The IMF recently approved a three-year, $1.6-billion loan to help Hungary carry out its market-oriented economic reforms.

There is evidence that market mechanisms have begun to work. For example, pork prices, which rose sharply at the beginning of the year, have reportedly dropped a third due to slack demand. Go to a formerly state-owned Budapest restaurant that is now in private hands, and the service is often better than ever.

WASHINGTON POST PHOTO BY BIL SPEAD

Consumerism on the upswing: Hungarians stroll and shop in midtown Budapest.

An entrepreneurial, pioneer spirit has begun to take hold. "The business world is not a dead end," says a Hungarian civil-service employee. "There are opportunities out there, and we want to take advantage of them."

In 1990 alone, an estimated 12,000 private firms were set up. Some state-owned firms transferred into private hands have seen productivity climb by 40 percent or higher. Thousands of foreign-trade companies have sprouted up, compared with only around 300 in the 1980s. According to officials, company legislation is virtually as liberal as in the United Kingdom or Germany.

In 1990, Hungary posted a record surplus of $1 billion in its balance of trade, up from $587 million in 1989. The nation has also succeeded in shifting its trade to the West. Trade with the Comecon countries has declined steadily, from 55 percent in 1985 to 46 per-

Continued on Page 12

Privatization Attracts Investors

Hungary's ambitious privatization program is designed to transfer more than half of its state-owned assets to the private sector in the next three to five years. Foreign investors are going to play a crucial role.

The Hungarian government plans to reduce its current 90-percent stake in industry to 40 percent. The privatization program will handle an estimated 2.5 trillion forints ($36 billion) in assets and will involve half of Hungary's 2,000 nationalized companies. The nation's

Exports may reach $11 billion in 1991

long-range goal is to privatize 70 percent to 80 percent of all state-owned firms.

Part of the privatization effort is directed by the state. Hungary's First Privatization Program was launched in September 1990. The State Property Agency was created in April 1990 to oversee the privatization process and prevent firms from being sold at rock-bottom prices.

The SPA put together a list of 20 top Hungarian enterprises with combined revenues of $1.5 billion, including hotel chains Hungarhotels, Danubius and Pannonia, pharmaceutical producer Richter Gedeon and travel agency Ibusz. The government then invited tenders from international banks and consulting firms for the right to lead-manage the actual transactions.

International interest was intense, with 274 tenders submitted for the 20 deals. With the intention of incorporating a broad spectrum of international institutions, Hungary chose Nomura, Crédit Suisse First Boston, J.P. Morgan, Daiwa, Barclays and Rothschild, to name a few. They will submit concrete proposals in two to three months' time. According to Lajos Csepi, chairman of the SPA, the actual privatization of the 20 firms could begin before the summer.

A variety of options exists. For example, once the firms have been converted into limited-liability companies, shares can be publicly offered on the Budapest and other exchanges; they can be sold as part of share-ownership schemes for employees (5 percent to 15 percent of a firm), or competitive tenders can be submitted.

The Second Privatization Program includes 50 firms that have already been partially privatized through joint ventures. Foreign investors can participate or buy out the Hungarian partner. Domestic and foreign investment banks and accounting firms will be selected by tender to assess the value of, restructure and privatize the firms.

At present, foreign capital makes up only 2 percent of the national economy, but the percentage is rising. The government hopes to attract large-scale foreign capital to create jobs, boost competitiveness and exports, introduce Western know-how and management techniques, and contribute to the country's balance of payments.

In addition, it hopes to raise funds to offset the national debt. Proceeds of 40 to 50 billion forints are

Continued on Page 13

PERSONAL ENERGY-
ECONOMICAL POWER

HUNGEXPO Co. Ltd. for
FAIRS AND PUBLICITY
Mailing address: H-1441 Budapest, P.O. BOX 44

LEHEL

What's the Secret of Lehel's Success Story?

- Progress in technology
- innovation
- new external commercial relationships
- changes in working methods
- an up-to-date marketing policy
- reorganization of administrative direction
- conformity to 1991's requirements

All these based on

- traditional knowledge
- traditional product policy
- traditional mentality
- traditional brand policy

Lehel is the leading brand in Hungary producing refrigerators, freezers and several other products.
At the same time Lehel is proud of being considered as one of the main quality producers of this kind on the world market.

Please ask for our reference list and for more information:
LEHEL Hungary
H-5101 Jászberény P.O.B. 64
Tel.: (36-1) 57-12-611, 57-11-244
Telex: 023341

LEHEL REFRIGERATED REMAINS THE SAME

LEHEL

Budapest Stock Exchange Reopens

Budapest's stock exchange, the first in Eastern Europe, is still in its infancy. Reopened in 1990, it hopes to become a primary channel for Hungarian privatization and a major securities marketplace in Central Europe.

At the moment, Budapest's bourse is not a majestic building, but a one-room affair on the first floor of the International Trade Center. The once-flourishing stock exchange began operations in 1864. It was shut down in 1948 by Hungary's Communist rulers, who considered it a remnant of the capitalist system.

It officially opened again to trading in June 1990. Today's Budapest exchange, which is private and not state-owned, traces its roots back to a 1987 agreement allowing securities trading; "trading days" have

In 1990, share trading totaled $43 million

been held since October 1988. The exchange has 44 members, including commercial banks and brokerage houses. A 1989 law established the right to set up joint stock companies and trade shares on the exchange.

The first issue was that of state travel agency Ibusz. A third of the company's shares were listed on the Vienna and Budapest exchanges. The issue was oversubscribed 23 times. Nine shares are currently traded on the Budapest exchange.

In 1990, share trading totaled close to 3 billion forints ($43 million), with 66 percent of total trading concentrated on three firms: Ibusz, the U.S.-Hungarian photo-service company Fotex and trading house Konzum. Total market turnover was 7.2 billion forints; market capitalization was over 30 billion forints at the end of December 1990. Other shares listed include Skala-Coop, Hungary's largest chain of department stores; Martfű First Cooperation Brewery; and trading house Fönix.

Transactions are done through an open-outcry system similar to the Swiss method, though the exchange is contemplating a change to a public-order book system like New York's. Besides prompt transactions, futures and put-call options are available. The exchange is open one-and-a-half hours a day, though this may be extended. The exchange is pressing to have firms meet Western standards concerning minimum capital reserves, disclosure requirements and diversification of shareholders.

Foreigners may buy only registered and not bearer shares, but this will be changed. Profits may be repatriated in full. Peter Zelnik, chairman of Girozentrale Investment Ltd., says there is significant international interest, which may be responsible for up to a third of trading in Hungarian shares. Girozentrale is market leader, acting as lead manager or co-manager of five of the issues. Several international investment funds have Hungarian shares in their portfolios, including The First Hungarian Fund of Bear Stearns, and Merrill Lynch's Austrian-Hungarian Investment Fund.

The Budapest exchange is plagued by low trading volume and a lack of blue chips. The situation is hardly conducive to attracting widespread interest on the part of the population. Most bond issues were failures, due to a lack of state guarantees and to inflation, which discouraged people from investing in fixed-interest securities. Hungarians lost money and developed a basic distrust of securities. At present, real income is decreasing, the savings rate is low, and extra funds are usually devoted to purchasing consumer goods.

There are other deficiencies, as well. No investment firms or mutual funds exist. Institutional investors such as insurance companies are only permitted to buy bonds and not shares. A new Act on Investment Funds is expected to be passed by Parliament soon. There is no central clearing system, and depot services are insufficient.

Analysts predict 10 to 20 new issues in 1991. Hungarian authorities, on the other hand, hope to have 40 to 50 new issues listed in 1991

After a 42-year dormancy, the Budapest bourse has begun to attract international interest.

(including some of the companies from Hungary's First Privatization Program), and 100 next year, depending on the pace and success of the privatization program. Among the new shares to be traded are computer-software firm Novotrade and agricultural-goods company Agrimpex.

As if to symbolize the prevailing optimism, the Budapest exchange will move to new quarters in June, occupying a whole floor in a neighboring building. It will also start a chart service and install a new computer system by the end of the year.

The stock exchange is a major boost to the country's efforts to attract foreign investment and establish a functioning capital market. At present, demand is slack. The Gulf war and general investor hesitancy have had their impact on the Hungarian economy, which is sensitive to international developments. Hungarian shares are primarily for long-term investors, not for those looking to make a quick kill.

Analysts remain confident that the Budapest exchange has a future. "We are going through a learning process. It's a new experience for the Hungarians," says Mr. Zelnik. "But the atmosphere is upbeat, and international interest has been stimulated. Demand is definitely going to grow."

C.S.

Ambitious Reforms Revitalize Economy

Continued from Page 11

cent in 1988, 40 percent in 1989 and 29 percent last year.

Exports to the West rose 18 percent in 1990. For the first time, the West became Hungary's most important trading partner. Trade with the EC is expected to rise to a 40-percent share in 1991 and 50 percent by 1993, compared with a one-third share last year.

The government has sharply cut subsidies, which once swallowed up to 10 percent of the country's gross national product. Price liberalization has been extended; 90 percent of all prices are deregulated.

Hungary's massive problems cannot easily be swept under the carpet. The nation's $21-billion debt is the highest per capita in Eastern Europe, with debt servicing expected to reach about $11 billion over the next three years. The annual debt-service ratio is close to two-thirds of hard-currency exports. Price-liberalization measures and subsidy cuts helped push up prices. Inflation was rampant, reaching 17 percent in 1989 and 30 percent in 1990, with experts predicting 35 percent for 1991.

Hungary's GNP declined 5 percent to 6 percent in 1990, with a further 3 percent to 4 percent drop predicted for 1991. Industrial production was down 10 percent.

The number of unemployed persons, officially set at 25,000 at the end of 1989, climbed to 80,000 in 1990 and may surpass a quarter of a million by the end of 1991. Thousands of unprofitable businesses have been forced to close.

Last year's severe drought in Hungary, a sharp decline in East European trade, the Gulf war and higher energy prices have all taken their toll. Energy now accounts for more than 30 percent of total imports.

Since Jan. 1, 1991, Hungary has been forced to pay world-market prices for Soviet oil and change to convertible-currency accounting with the Soviet Union. In addition, Hungary must bear the consequences of the Soviet economic crisis and a virtual collapse of the Soviet market.

Austerity measures, including the lifting of subsidies and mandated price increases, have encountered resistance from the population. If the situation continues, social tensions could increase.

INTERFOTO/STILLS

József Antall, the prime minister of Hungaria.

The country is plagued by inadequate communications and transportation infrastructures, outdated technologies, a critical lack of office space and a cumbersome bureaucracy. Hungarian companies lack an adequate capital base and pay a lot of fees to the state; they have high overheads and obsolete inventories.

A number of controversial issues have to be resolved. One hotly contested matter involves the proposed Compensation Law for the former owners of thousands of firms and flats, and a reported four million hectares of land, all of which were illegally seized by the Communist government in 1949.

The government plan likely to be adopted, which could cost Hungary more than a billion dollars, is to make a partial or symbolic compensation. A small percentage of the property's value would be offered in the form of compensation certificates, which could be used to purchase privatized state companies.

Another unsettled issue is the 1995 World's Fair. The Bureau International des Expositions in Paris formally accepted the application of Vienna and Budapest to jointly host the exposition. Due to a number of unresolved financial and organizational questions, the BIE agreed to carry out a provisional registration last December. The Hungarians are required to make a definitive decision by June, when the BIE General Assembly convenes. Vienna has declared its intention to host the exposition alone if necessary.

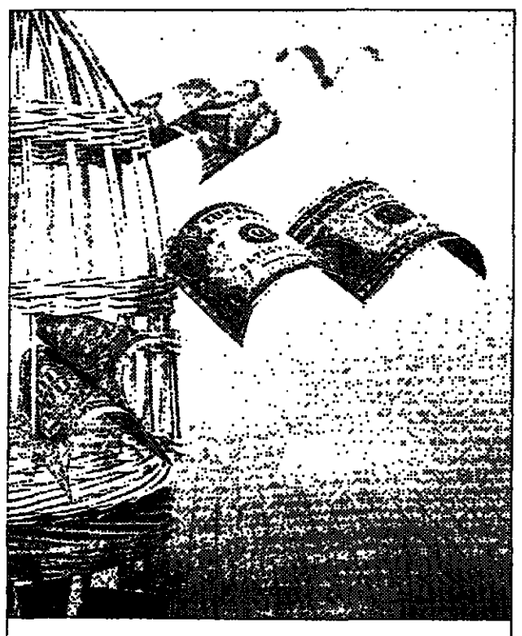
In the meantime, Budapest's Program Bureau has been preparing for the exposition. The latest activity is an international competition to solicit design and construction concepts for the 85-hectare Expo site. The World's Fair's theme will be "Bridges to the Future," and it will showcase historical and contemporary Hungary.

Expo 1995, the first-ever twin-city exposition, is expected to attract some 50 exhibitors and over 20 million visitors to Hungary, with proceeds expected to exceed the $2 billion in construction and operating costs. The government has developed a $6-billion "open infrastructure program," which will include the construction of new bridges, highways and an underground railway system, and the urban development of a 200-hectare area called Budapest South.

The Hungarian government has ambitious plans for the near future. It wants to cut inflation, maintain solvency, improve the efficiency of its commercial banking sector and reach the full convertibility of the Hungarian forint.

Hannes Androsch, former finance minister and chairman of his own consulting firm, which is heavily involved in Eastern Europe, says: "The Hungarians have set their sights quite high. If they can get rid of the stumbling blocks, the chances for growth are excellent."

Clifford Stevens



Tax-
FREE

The Central Foreign Exchange Office
(H–1051 Budapest, Nádor u. 6.
Telephone: 36-1-117-2083 Telex: 22-7540
Telefax: 36-1-117-2095) and its offices throughout the country are authorized to keep accounts in foreign currency for companies (joint ventures established in Hungary) and citizens alien under the Foreign Exchanges Act.

Foreign exchange accounts are secret and free from taxes. Accounts can be kept in any currency chosen by the owner. Accounts can be fixed for 1, 2, 3, 6, 9 and 12 months or even for a few years but one can bank the currency without fixing.

Interests of the fixed accounts remain the same until their expiration and they are similar to those of the international financial market.

Payments from the accounts can be effected in foreign currency either in cash or by remittance.

NATIONAL SAVINGS BANK HUNGARY

For further information please contact our offices

THE K&H HUNGARY

KERESKEDELMI BANK LTD.
BUDAPEST
The International Trade Promotion Division offers:
Organizing industrial cooperation
Establishing joint venture companies
Collaboration in the field of tourism and hotel industry
Mergers and acquisitions
Real Estate Investments
Advising and consultation in the field of banking
Telephone: direct: (361) 111-38-25
Telefax: (361) 132-29-70
Telex: 22-7776
Please contact: Dr. Ervin Ernst, managing director
Budapest
Alkotmány u. 21. 3rd floor
H-1054
Hungary

KERESKEDELMI BANK RT.
(COMMERCIAL AND CREDIT BANK LTD.)
Budapest V. Arany János u. 24.
Postal code: H-1851
Telex: 22-3200
International Banking Dept.
Phone: (361) 131-1165
117-2687
International Trade Promotion Division
Phone: (361) 111-3825

KERESKEDELMI BANK LTD.
K&H
Where money starts working

UNIVER trade

"UNIVERTRADE"
Export-Import and Venture Co.Ltd.

is awaiting the interest of businessmen intending to make investments in Hungary, who:
– are planning the realization of joint ventures or representations,
– intend to invest their capital in the building of hotels, office blocks,supermarkets, etc.,
– are looking for general export-import relations,
– are requesting suggestion conc. placement of their capital,
– desire to buy real estate,
– desire to make investment in Indonesia through our office in Jakarta.

Possibilities from our files: hospital, holiday village, shipyard, continental and underwater hotel! wooden-plate factory, etc.

Have faith in us!

We endeavour to carry out exactly and quickly all demands and offers and to find you partner.

Central office: H-1085 Budapest, József krt. 35
Letters: H-1447 Budapest 8, Pf: 484
Phone: 36/1/134-3507 - 134-4517
Fax: 36/1/113-5093

METAB Ltd. Metal Processing Plant
(Austro-Hungarian Joint-Venture)
H-2401 Dunaújváros, Vasmű tér 1.
Tel.: (36) 22 10-903
Tx: 29-380 metab h - Fax: (36) 22 10-902
METAB
Our products:
Hot dip galvanized coils and sheets
Plastic coated and galvanized trapezoid sheets - Curved steel elements
Building facing system

HUNGALU
THE WHOLE RANGE OF THE ALUMINIUM INDUSTRY FROM ONE SOURCE

MALEV Hungarian Airlines

Travel in style and comfort with MALEV, Hungary's national carrier, and enjoy a gourmet menu accompanied by complimentary, choice local wines.

MALEV operates frequent, scheduled services from the major European cities to Budapest and the airline's offices in and out of Hungary can take care of your accommodation, car hire and sightseeing arrangements in Hungary.

For detailed information, please contact your nearest MALEV office or the MALEV desk in the lobby of your hotel.

هكذا من الاصل

صكابث الاهل

Budapest: Opera and Pop Culture

International attention and investment have helped re-establish Budapest's progressive and adventurous spirit.

A look at Budapest's Museum of Fine Arts shows how intimately connected Hungary once was with the rest of the world. Works by Leonardo, Raphael (the famous "Esterhazy Madonna"), Titian, El Greco, Rembrandt, Rubens, Manet and Monet are the magnificent legacy from former times.

These days, what catches the globe-trotter's eye as he window-

Hotels are redolent of Hungarian grandeur

shops along Budapest's most famous street, Váci utca, is the evidence of a more contemporary connection. Italy's Benetton, Germany's Salamander, France's Adidas and the United States' McDonald's — the products of joint-venture laws — are all represented; they have become ambassadors of private capital and pop culture. Just as the stately Chain and other bridges cross the Danube to link the hilly and regal former city of Buda with the expansively planned area once known as Pest, internationally owned businesses increasingly link Budapest with the rest of the world.

In addition to its new cosmopolitan veneer, Budapest's indigenous aspect is undergoing renewal. The red stars put up under Communist rule on the neo-Gothic houses of parliament and other government buildings are gone. Streets are again known by their original names. The spirit that created the Continent's first subway, largest houses of parliament and biggest synagogue has returned to the city. In 1995, Budapest is expected to co-host a World's Fair with Vienna, and the cities will once again be twin capitals on the Danube.

For the visitor, that spirit is most evident in the city's hotels. In addition to St. Gellert, redolent of Hungarian grandeur with its thermal baths and robust Hungarian cuisine, and the Béke Radisson, which houses Budapest's most sophisticated nightclub, a number of newcomers have appeared on the scene. Their names are familiar to international travelers: Forum, Hilton, Hyatt, Inter-Continental, Penta, Radisson, Ramada and Sheraton.

The hotel boutiques proudly sell Hungarian goods such as hand-painted eggs, Herend porcelain animals and goose-down comforters.

Still more signs of Budapest's renewed commercial enthusiasm are the dazzling displays in the shop windows along the pedestrian Váci utca, where Transylvanian women sell their beautiful hand-embroidered linens on the sidewalks. Antique versions of their wares are available at Tangó (in a courtyard just off Váci utca at 1 Párisi utca).

Vasdeny (9 Váci utca) offers fine hand-cut Parad crystal, made in Paradvros, a few miles from Budapest. The Hungarian gourmet shop, Delicatesse (8 Váci utca), sells everything from paprika to goose liver and a large assortment of Hungarian brandies.

A shopping spree on Váci utca is traditionally followed by a sampling of poppy-seed croissants or other delicious pastries at Café Gerbeaud on Vörösmarty Square. A short taxi ride away is Café New York (formerly Hungaria), where for a song you can munch caviar sandwiches in a spectacular Art-Nouveau setting.

Many visitors will be going to Budapest soon to hear opera, jazz and gypsy music at one of the city's most renowned events, the Spring Cultural Festival of the Arts, scheduled for March 14-31. This year, the festival will be co-sponsoring the first Budapest Art Fair, a commercial venture to be held at the HUNGEXPO fairgrounds. (For information, contact the Hungarian Tourist Board in Budapest. Tel.: 118-0750; fax: 118-5341.)

Featuring Hungarian as well as international musicians and dancers, the festival is one of the most pleasurable ways of celebrating the spirit of old and new Budapest.

Dwight V. Gast

Hungarian grandeur and sparkling mineral baths at the Hotel St. Gellert, Budapest.

Tradition and Innovation in Dining

Hungary's international and entrepreneurial spirit has reached its restaurants. American and European companies have been investing in the Budapest dining scene.

Eastern Europe's first McDonald's has opened in the capital, and an Italian company has invested in a chic seafood restaurant called Marco Polo. France's Rothschilds and Italy's Antinori family are working on joint ventures with Hungarian wineries. All this has kept chefs on their toes in the city's Hungarian restaurants, which justifiably attract curious visitors.

One of Budapest's most atmospheric restaurants is Mátyás Pince (tel.: 118-1693), where you can dine on chicken paprika or goulash while listening to the strains of a gypsy orchestra. Another standby is Gundel (tel.: 121-3550), renowned for its chocolate crêpe flambée. The newest restaurant on the scene is Robinson (tel.: 142-0955), which offers lighter versions of Hungarian classics. Vadrózsa (tel.: 135-1118) offers game birds, flaky pike perch and other freshwater fish, and a goose liver that weighs close to two pounds. Aranyszarvas (tel.: 175-6451) serves tasty game: venison, wild boar and wild goose. Szinbád (tel.: 132-2966) gives its game unusual flavors in such dishes as ragout with tarragon and venison with bilberry. Kacsa (tel.: 135-3357) puts an international and imaginative imprint on national dishes; it surrounds its wild duck, for example, with a festive ring of chestnut purée and delicately sculpted fruits.

Hotel restaurants have the incentive and the capital to create some of Budapest's most exciting new menus, which are often based on traditional ingredients. Hungarian game, such as the quail's breasts served with black currant sauce, is the specialty of Csárdá at the Duna Inter-Continental (tel.: 117-5122), while Kalocsa at the Hilton (tel.: 175-1000) takes pride in its supply of the freshest trout in town. Finally, the Silhouette Room at the Forum hotel (tel.: 117-8088) provides the best of forest and stream in dishes such as goose-liver scallop and pike-perch filet.

D.V.G.

Clifford Stevens is a free-lance journalist based in Vienna.
Dwight V. Gast is a writer who lives in New York when he is not traveling.

Privatization Attracts Investors

Continued from Page 11

expected for 1991 alone. Eighty-five percent of privatization proceeds are earmarked for debt servicing. "It's not a question of Hungary allowing foreign investment or not, but rather of our actively promoting it," says Janos Martonyi, the state secretary of the Ministry of International Economic Relations. "Foreign investment is a basic precondition for growth."

About 200 firms — 10 percent of those in the state-owned sector — have been privatized, but not by means of government programs. Almost all these privatizations have been initiated by managers of state-owned enterprises; applications are submitted to the SPA, which approves most but not all of the deals. A total of 200 firms are expected to be privatized in 1991 and 1992.

Other possibilities include investor-led or third-party privatization, which means that foreign and domestic investors can make an offer and obtain a company, even if the management objects. The pre-privatization process entails the sale of thousands of small-scale retail units, shops and service companies. Another idea being floated around is to "privatize the privatization" — to delegate the process to financial institutions, making the process more objective and less politicized.

Privatizing nationalized firms in Hungary is much more difficult than in a nation like Great Britain, where the private sector is already dominant. The privatization process has been plagued by technical problems, an internal debate on the role of the SPA and the difficulties in carrying out valuations and setting the purchase price.

Concerns exist about selling firms at bargain prices. The political goal is to involve Hungarians in the privatization process as much as possible, but their means are limited. With only 300 billion forints in savings and perhaps 70 to 90 billion forints in certificates to be distributed as compensation for former property owners, Hungarians are unable to finance the privatization themselves.

As part of the nation's internationalization drive, the Investment and Trade Promotion Agency was established on July 1. The agency is designed to increase the competitiveness of Hungarian products and to help boost exports, which are expected to reach $11 billion in 1991.

Joint ventures have been permitted in Hungary since 1972, but the foreign stake could not surpass 50 percent. Today, Hungary guarantees the full repatriation of profits, and up to 100-percent foreign participation is allowed. Joint ventures no longer require licenses, but only simple registration. Investors enjoy five-year tax holidays, duty-free imports and no restriction on the inflow of capital.

Additional incentives are provided for investors in key industries, such as electronics, environmental protection, pharmaceuticals and tourism. Despite recommendations from the World Bank and the International Monetary Fund to reduce tax allowances, the government decided "not to send that kind of signal abroad," according to Mr. Martonyi. A Foreign Investment Fund has also been set up to provide direct cash support for projects and infrastructure improvements.

At the end of 1990, there were between 4,500 and 5,000 joint ventures with foreign firms, led by the Austrians and West Germans. Equity foreign investment totaled $1 billion; the government hopes for at least an additional $1 billion a year from 1991 to 1993.

Investors are attracted by Hungary's familiarity with free-market mechanisms, access to East European markets, relatively low wage costs and most-favored trade status with the United States. The initial euphoria, however, has been dampened. Many investors are waiting to see what happens. Others have encountered a variety of difficulties, including financial and contractual problems, an undeveloped infrastructure and laws that are constantly being amended.

Most joint ventures have been small, often involving no more than the required minimum of one million forints, but there are prominent exceptions. Hungary has attracted the likes of Ford, Kodak, Olivetti, General Electric and Levi Strauss. The biggest project involves Japanese automobile manufacturer Suzuki, which is investing several hundred million dollars to penetrate the East European market and produce 15,000 units annually.

C.S.

The International Herald Tribune & J. Walter Thompson, Europe, are pleased to announce their second biennial conference

Living in the New Europe: Scenarios for Change

Prague, June 6-7, 1991

For program details, please contact: Jane Blackmore, Conference Office, International Herald Tribune
63 Long Acre, London WC2E 9JH, United Kingdom
Tel.: (44) 71 379 4302 - Fax: (44) 71 836 0717

On June 6, 1991
the International Herald Tribune will publish a special advertising section on

Czechoslovakia

For advertising information, contact: Wolfgang Lauterbach, International Herald Tribune
Friedrichstrasse 15, 6000 Frankfurt-Main, Germany
Tel.: (49) 69 72 67 55 - Fax: (49) 69 72 73 10

INTERNATIONAL Herald Tribune
Published With The New York Times and The Washington Post

This announcement appears as a matter of record.

MG's Law:

"Everything that can be recycled will be recycled."

LURGI
B.U.S

METALLGESELLSCHAFT AG
Reuterweg 14, P.O. Box 101501, D-6000 Frankfurt am Main 1
Telephone: (69) 159-0, Telefax: (69) 159-2125, Telex: 41225-0 mgfd
METALLGESELLSCHAFT CORP.
520 Madison Avenue, New York, NY 10022
Telephone: (212) 715 5200, Telefax: (212) 715 5291/92, Telex: 422681
NIHON METALLGESELLSCHAFT KK
Hibiya Park Building 1-8-1, Yurakucho, Chiyoda-ku, Tokyo 100
Telephone: (13) 281-7341, Telefax: (13) 281-7379, Telex: 26684 mgtok
Subsidiaries and affiliates in all major marketplaces of the world

MONDAY SPORTS

Merle Clinches 3d Title in Super-G

Compiled by Our Staff From Dispatches

SHIZUKUISHI, Japan — Carole Merle of France clinched the women's super-giant slalom World Cup title Sunday when the season's sixth and final race was canceled because of strong winds.

Merle, 27, the prerace leader in the overall standings, won the super-giant slalom crown for an unprecedented third successive season with 88 points.

There was no time to reschedule the sixth race as the skiers move to Canada this week.

The race began after a one-hour delay, only to be canceled after 15 of the 50 competitors had completed their runs down the 2,130-meter (7,000-foot) course.

That gave the world title to Merle, who was 18 points ahead of Petra Kronberger of Austria in the standings.

Merle later told a news conference that the erratic weather, which also caused the cancellation of Saturday's downhill race and the official practice sessions on Thursday and Friday, had made all the skiers nervous about the 1993 championships.

They will be the first world championships in Japan.

"The weather changes so fast from one half an hour to another," Merle said, "perhaps because Japan is an island. This does not make for fair racing.

"In other places, the weather is bad but it is more stable, it does not change so quickly.

"We worry about the world championships in 1993."

Heinz Krecek, the coordinator for the women's World Cup circuit, said at a separate news conference that such cancellations were inevitable.

"You cannot overcome nature," he said. "I have absolute confidence in the hosting of the 1993 event."

The weather on Sunday was clearer than on Saturday, but the wind was too strong and changeable to allow skiing that was equal for all the contestants.

Traudl Hächer of Germany was leading when the race was canceled, the second time she has been denied a triumph by weather. She led the women's downhill in the 1985 World Alpine Ski Championships when gusting winds forced a postponement.

Kronberger enjoyed a victory of sorts, because the cancellation reduced Merle's slim chance of overtaking the Austrian in the overall standings. Kronberger dominated the women, building a lead of 184 points until injuring a ligament in her right knee during the world championships.

While Kronberger mended, Merle reduced the point spread to 112 and had an opportunity of cutting it to less than 100 with a high-scoring race in her specialty on Sunday.

Now, with seven races remaining, Kronberger needs to score only 64 more points to mathematically eliminate Merle and clinch her second straight overall title. *(Reuters, AP)*

■ Tritscher Wins Men's Slalom

Michael Tritscher, who had three second-place finishes last year, finally won his first World Cup ski race on Saturday, beating fellow Austrian Thomas Stangassinger in a slalom by half a second, The Associated Press reported from Lillehammer, Norway.

Tritscher finished in 1 minute, 52.93 seconds. Third place went to Paul Accola of Switzerland, who was 1.17 seconds behind the winner.

Marc Girardelli of Luxembourg, the world slalom champion, finished fourth in 1:54.84 and increased his lead in the World Cup standings over Alberto Tomba of Italy by 12 points to 73.

Tomba, who was disqualified after missing a gate about nine seconds into the opening run, trails Girardelli, 215 to 142, going into the final North American stage later this month.

Girardelli's fourth-place enabled him to take the lead in the slalom standings as well. He has 98 points, five points ahead of Ole-Kristian Furuseth of Norway.

The Swiss downhill star, Franz Heinzer, who didn't race at Lillehammer, is third in the overall standings with 129 points.

Rudolf Nierlich, who didn't finish the first run, retained fourth overall at 121 points.

Tomba and Nierlich weren't the only ones who had problems in the race, held in heavy snowfall.

Only 18 of the 30 skiers who qualified for the second run completed the competition. Four racers in a row, among them Furuseth, were disqualified for missing gates during that run.

Camporese Upsets Top-Seeded Lendl

The Associated Press

ROTTERDAM — Unseeded Omar Camporese pulled off a spectacular upset Sunday, coming from behind against top-seeded Ivan Lendl to win the ABN Amro World Tennis Tournament.

The 22-year-old Italian overcame a sluggish start to win, 3-6, 7-6 (7-4), 7-6 (7-4), against the world's third-ranked player. Camporese sealed the victory in a nerve-racking tiebreaker in the third set.

The Italian's performance is expected to improve his 42d place in the ATP rankings by at least 10 spots.

Lendl, 30, started the match strongly, catching Camporese off guard with a 2-0 lead in the first set. But Camporese, who makes up for his sluggish ballwork with explosive slams and a lethal backhand, grew more aggressive and began charging the net.

Although Lendl managed to hold the lead with sharp serves and win the set, 6-3, Camporese continued his challenge and won the second set in the game's first tiebreaker. Both players then started getting edgy, hitting several balls into the net and complaining about distractions from the crowd.

Lendl took a 2-0 lead again in the third set, but Camporese drew even, neutralized two of Lendl's matchpoint serves and won the tiebreaker.

Lendl had been hoping to make the ABN Amro indoor his 91st tournament victory. He said before the final that he planned to take a five-week break before playing his next tournament.

■ McEnroe vs. McEnroe

John McEnroe set up a family showdown against his younger brother, Patrick, in the finals of the Volvo Chicago indoor tennis tournament by eliminating MaliVai Washington, 7-6 (8-6), 6-7 (3-7), 6-4, on Saturday night.

The elder McEnroe, a former No. 1 player and the top seed in the tournament, will be going for his 107th career singles title. Patrick, who beat Grant Connell of Canada, 4-6, 6-4, 6-4, will be playing for his first title.

"If I don't beat my brother on Sunday, I won't be able to show my face on the planet for six months," John said.

Looking at it a bit more seriously, McEnroe said, "I may lose this match and have to live with it, and I think I can live with it."

The McEnroes have played only once before, with John defeating Patrick, 6-2, 6-1, in 1985 in Stratton, Vermont. And that match wasn't a final.

"John has all the shots," Patrick said. "You never know where his serve will go, and it will be a boost for me in the rankings, if I win.

"I don't want to be known as John McEnroe's younger brother. I want to be known as Patrick McEnroe."

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

Atlantic Division

	W	L	Pct	GB
Boston	42	15	.737	—
Philadelphia	32	24	.571	9½
New York	27	31	.466	15½
Washington	22	35	.386	20
New Jersey	19	38	.333	23
Miami	18	39	.316	24

Central Division

	W	L	Pct	GB
Chicago	41	15	.732	—
Detroit	37	22	.627	5½
Milwaukee	36	22	.621	6
Atlanta	32	25	.561	9½
Indiana	27	30	.474	14½
Cleveland	20	37	.351	21½
Charlotte	17	40	.298	24½

WESTERN CONFERENCE

Midwest Division

	W	L	Pct	GB
Utah	37	18	.673	—
San Antonio	35	19	.648	1½
Houston	32	24	.571	5½
Dallas	21	35	.375	16½
Orlando	19	38	.333	19
Minnesota	18	38	.321	19½
Denver	16	40	.286	21½

Pacific Division

	W	L	Pct	GB
Portland	44	14	.759	—
L.A. Lakers	42	15	.737	1½
Phoenix	37	19	.661	6
Golden State	30	26	.536	13
Seattle	28	28	.500	15
L.A. Clippers	20	36	.357	23
Sacramento	15	41	.268	28

FRIDAY'S RESULTS

Portland 32 18 30 30—111
Philadelphia 29 29 32 31—121
Drexler 10-28 3-3 23, Duckworth 9-14 1-1 19, Kersey 8-15 3-5 19; Barkley 11-16 9-10 32, Hawkins 9-17 8-8 27. Rebounds: Portland 51 (Duckworth 15), Philadelphia 48 (Barkley 11). Assists: Portland 31 (Porter 9), Philadelphia 22 (Barkley 6).

Cleveland 28 32 30 33—115
Indiana 32 27 32 27—118
Nance 9-14 5-7 23, Dougherty 7-14 8-12 22; Person 10-22 4-5 26, Schrempf 8-12 8-10 24. Rebounds: Cleveland 62 (Dougherty 17), Indiana 49 (Schrempf, McCloud 7). Assists: Cleveland 25 (Ehlo 6), Indiana 35 (Person, McCloud 6).

San Antonio 30 30 19 19—98
Boston 19 32 32 25—108
Cummings 11-13 3-4 25, Robinson 8-14 3-4 19; Bird 10-25 6-6 29, Parish 8-13 5-7 21. Rebounds: San Antonio 39 (Robinson 12), Boston 52 (Parish, Shaw 9). Assists: San Antonio 32 (Pressey 8), Boston 26 (Shaw 13).

Utah 28 24 28 22—94
Detroit 25 27 26 14—92
K. Malone 9-21 14-17 32, Stockton 3-8 10-11 17; Dumars 8-13 5-6 21, Johnson 9-22 2-3 20. Rebounds: Utah 46 (M. Brown 9), Detroit 56 (Rodman 15). Assists: Utah 20 (Stockton 13), Detroit 13 (Dumars 6).

Dallas 24 19 17 26—86
Chicago 27 12 36 34—109
Blackman 9-15 1-1 19, Harper 7-14 2-2 17; Jordan 11-20 6-6 29, Pippen 7-17 4-7 18. Rebounds: Dallas 43 (H. Williams 10), Chicago 62 (Jordan 11). Assists: Dallas 24 (Harper 9), Chicago 30 (Armstrong 10).

Washington 19 35 25 26—105
Milwaukee 34 32 24 16—106
King 14-26 6-6 35, Ellison 8-12 8-8 24; Ellis 8-15 4-4 20, Schayes 5-8 9-13 19. Rebounds: Washington 48 (Ellison 12), Milwaukee 55 (Schayes 12). Assists: Washington 32 (Workman 11), Milwaukee 28 (Humphries 9).

Sacramento 25 18 29 34—106
Phoenix 32 19 30 31—112
Carr 10-18 4-4 24, Mays 7-18 9-11 24; Hornacek 5-8 8-9 20, Johnson 5-7 8-10 18, Majerle 6-11 6-10 18. Rebounds: Sacramento 51 (Simmons 10), Phoenix 61 (McDaniel 12). Assists: Sacramento 29 (Les 8), Phoenix 18 (Johnson 5).

Charlotte 18 25 31 31—105
Seattle 32 26 27 37—122
Curry 10-14 0-0 24, Gminski 7-10 2-2 16; Pierce 8-16 9-10 25, Benjamin 9-19 4-8 22. Rebounds: Charlotte 35 (Gminski 7), Seattle 48 (Benjamin 13). Assists: Charlotte 25 (Bogues 9), Seattle 36 (McMillan 9).

Orlando 33 22 19 27—101
L.A. Lakers 32 22 30 31—115
D. Scott 9-14 0-0 19, Reynolds 4-10 8-8 16; Johnson 8-17 8-9 26, Green 8-12 3-5 19. Rebounds: Orlando 56 (Acres 12), Los Angeles 54 (Divac 12). Assists: Orlando 28 (Skiles 9), Los Angeles 29 (Johnson 9).

SATURDAY'S RESULTS

Charlotte 22 29 23 34—108
Golden State 29 24 34 34—121
Chapman 9-16 2-2 22, Newman 5-13 4-5 14; Mullin 11-20 13-13 35, Hardaway 11-17 5-6 30. Rebounds: Charlotte 53 (Curry, Gill 6), Golden State 61 (Lister 14). Assists: Charlotte 20 (Bogues 7), Golden State 25 (Hardaway 14).

Orlando 23 38 29 31—111
Denver 30 36 25 35—126
Skiles 7-15 9-9 24, Scott 7-21 2-2 18; Adams 11-27 11-12 37, Rasmussen 11-18 3-4 25. Rebounds: Orlando 69 (Acres 10), Denver 70 (Rasmussen 16). Assists: Orlando 14 (Skiles 7), Denver 23 (Adams 11).

Sacramento 19 32 24 31—106
Seattle 35 28 29 28—120
Simmons 14-24 2-5 30, Sparrow 9-13 1-1 19; Johnson 14-20 2-2 31, Pierce 10-17 6-6 26. Rebounds: Sacramento 36 (Simmons 12), Seattle 49 (Benjamin 16). Assists: Sacramento 30 (Les 17), Seattle 34 (Payton, McMillan 8).

Miami 26 22 38 23—109
Dallas 25 19 23 36—103
Douglas 7-16 11-15 25, Long 9-12 4-4 22, Rice 11-21 0-0 22; Blackman 7-18 5-5 19, McCray 8-13 2-5 18. Rebounds: Miami 62 (Long 10), Dallas 59 (Williams 9). Assists: Miami 23 (Douglas 6), Dallas 13 (Harper 5).

L.A. Clippers 26 28 24 26—104
Minnesota 21 26 27 28—102
Harper 9-26 6-8 26, Grant 8-12 2-4 19; Corbin 14-21 4-6 32, Campbell 8-17 4-4 20, Richardson 9-16 1-1 20. Rebounds: Los Angeles 49 (Smith 12), Minnesota 39 (Corbin 11). Assists: Los Angeles 26 (Harper 8), Minnesota 27 (Corbin 7).

New York 30 22 30 33—115
New Jersey 32 17 31 25—105
Ewing 13-23 2-2 28, G. Wilkins 6-16 11-11 23; Coleman 7-13 6-6 21, Dudley 7-12 6-11 20. Rebounds: New York 46 (Oakley 10), New Jersey 55 (Dudley 17). Assists: New York 14 (Ewing 5), New Jersey 20 (Theus 10).

Chicago 34 24 22 34—114
Indiana 35 33 36 31—135
Jordan 8-23 6-6 22, Armstrong 8-15 1-2 18; Miller 14-20 11-13 40, Fleming 8-9 2-2 18, Person 8-15 1-2 18, Schrempf 5-9 8-13 18. Rebounds: Chicago 53 (Perdue 13), Indiana 44 (Thompson 6). Assists: Chicago 20 (Armstrong 5), Indiana 28 (Person, Miller, Fleming 5).

Major College Scores

FRIDAY'S RESULTS

Brown 67, Columbia 61
Penn 69, Dartmouth 63
Princeton 79, Harvard 64
Yale 76, Cornell 58
Boise St. 80, Weber St. 63
S. Utah 115, Northridge St. 98

SATURDAY'S RESULTS

EAST

Connecticut 78, Pittsburgh 68
Cornell 76, Brown 74
Hartford 79, New Hampshire 68
Maine 59, Vermont 52
Northeastern 77, Boston U. 70
Penn 77, Harvard 66
Princeton 56, Dartmouth 49
Providence 86, Villanova 75
Seton Hall 81, Boston College 74
Yale 71, Columbia 58

SOUTH

Alabama 96, Tennessee 88
Clemson 69, Georgia Tech 62
Florida St. 70, South Carolina 59
Georgia 72, Mississippi 62
Georgia Southern 83, Samford 66
Georgia St. 99, Centenary 80
Kentucky 114, Auburn 93
Louisville 65, Notre Dame 59
Maryland 78, Virginia 74, OT
Mississippi St. 76, LSU 73
Stetson 89, Ark.-Little Rock 74
Texas-San Antonio 91, Mercer 63
Tulane 82, Southern Miss. 65
Vanderbilt 82, Florida 68
Virginia Tech 82, Memphis St. 79
Wake Forest 89, N. Carolina St. 84
Youngstown St. 80, Liberty 77, OT

MIDWEST

Bowling Green 91, Miami, Ohio 79
Butler 84, Marquette 74
Cent. Michigan 91, W. Michigan 71
DePaul 79, St. John's 69
E. Michigan 69, Ball St. 59
Illinois 91, Northwestern 81
Indiana 74, Wisconsin 61
Iowa St. 68, Oklahoma St. 67
Loyola, Ill. 73, Detroit 63
Missouri 76, Colorado 51
Purdue 70, Iowa 65
Toledo 60, Kent St. 57
Wis.-Milwaukee 87, Fla. International 65
Wright St. 117, Chicago St. 106
Xavier, Ohio 102, Dayton 79

SOUTHWEST

Houston 71, Texas A&M 68
Kansas St. 101, Oklahoma 98, OT
New Mexico 72, Texas-El Paso 70, OT
Rice 72, Baylor 70
Texas Christian 59, Texas Tech 55

FAR WEST

Air Force 56, Colorado St. 46
Hawaii 65, San Diego St. 58
Idaho 80, E. Washington 65
Long Beach St. 84, Pacific U. 78
Montana 74, Montana St. 67
Nevada 83, Idaho St. 81
New Mexico St. 105, Fresno St. 80
Oregon 62, Arizona 58
Oregon St. 91, Arizona St. 69
Southern Cal 80, Washington St. 62
Stanford 98, California 72
UC Irvine 109, Utah St. 107
UC Santa Barbara 85, San Jose St. 51
UNLV 104, Fullerton St. 83
Utah 72, Brigham Young 71, OT
Weber St. 119, N. Arizona 69

AMERICAN SOUTH CONFERENCE
First Round, Friday
Louisiana Tech 89, Central Florida 57
Arkansas State 80, Texas-Pan American 68
Southwestern Louisiana 99, Lamar 83
Semifinals, Saturday
Louisiana Tech 58, Arkansas St. 56
New Orleans 78, SW Louisiana 73
Championship, Sunday
Louisiana Tech vs. New Orleans

ATLANTIC 10 CONFERENCE
First Round, Saturday
West Virginia 93, St. Bonaventure 86
St. Joseph's 82, Rhode Island 65, OT
Quarterfinals, Sunday
Penn State vs. Duquesne
George Washington vs. Massachusetts
Temple vs. West Virginia
Rutgers vs. St. Joseph's
Semifinals, Monday
Championship, Thursday

BIG SOUTH CONFERENCE
Semifinals, Friday
Coastal Carolina 58, Davidson 55
Augusta 69, Radford 56
Championship, Saturday
Coastal Carolina 89, Augusta 54

COLONIAL ATHLETIC ASSOCIATION
First Round, Saturday
Navy 85, James Madison 82, OT
George Mason 87, N.C.-Wilmington 73
Richmond 86, East Carolina 62
American U. 70, William & Mary 57
Semifinals, Sunday
Navy vs. George Mason
Richmond vs. American U.
Championship, Monday

EAST COAST CONFERENCE
First Round, Saturday
Maryland-Baltimore County 67, Hofstra 58
Delaware 99, Central Connecticut State 85
Rider 71, Drexel 68
Semifinals, Sunday
Towson State vs. Maryland-Baltimore County
Delaware vs. Rider
Championship, Tuesday

METRO ATLANTIC ATH. CONFERENCE
First Round, Friday
Canisius 61, Fairfield 54
First Round, Saturday
St. Peter's 81, Niagara 59
Iona 69, Manhattan 54
La Salle 86, Loyola, Md. 70
Siena 71, Canisius 62
Semifinals, Sunday
La Salle vs. St. Peter's
Siena vs. Iona
Championship, Monday

MID-EASTERN ATH. CONFERENCE
Semifinals, Friday
Delaware State 93, Morgan State 78
Florida A&M 74, Coppin State 70
Championship, Saturday
Florida A&M 84, Delaware State 80, OT

MISSOURI VALLEY CONFERENCE
First Round, Friday
Drake 57, Illinois State 55
Quarterfinals, Saturday
Southern Illinois 80, Indiana State 61
Creighton 77, Drake 58
Southwest Missouri State 68, Bradley 49
Tulsa 71, Wichita State 52
Semifinals, Sunday
Creighton vs. Southern Illinois
SW Missouri St. vs. Tulsa
Championship, Tuesday

NORTHEAST CONFERENCE
Championship, Saturday
St. Francis, Pa. 97, Fairleigh Dickinson 82

OHIO VALLEY CONFERENCE
First Round, Saturday
Eastern Kentucky 91, Tennessee State 78
Morehead State 88, Tennessee Tech 83
Middle Tennessee State 87, Austin Peay 83

PATRIOT LEAGUE
Semifinals, Friday
Fordham 82, Bucknell 76
Holy Cross 95, Lehigh 90, OT
Championship, Saturday
Fordham 84, Holy Cross 81, OT

SOUTHERN CONFERENCE
First Round, Friday
Appalachian State 100, VMI 72
East Tennessee State 99, Citadel 70
Tenn.-Chattanooga 84, Western Carolina 83
Semifinals, Saturday
Appalachian State 88, Furman 82
E. Tenn. State 104, Tennessee-Chattanooga 71
Championship, Sunday
Appalachian State vs. East Tennessee State

SOUTHLAND CONFERENCE
Championship, Saturday
Northeast Louisiana 87, Texas-Arlington 60

SOUTHWESTERN ATH. CONFERENCE
Semifinals, Friday
Jackson State 77, Alabama St. 74
Texas Southern 70, Alcorn St. 63
Championship, Saturday
Jackson St. 70, Texas Southern 66

SUN BELT CONFERENCE
First Round, Saturday
South Alabama 84, Jacksonville 68
Va. Commonwealth 100, Western Kentucky 89
Old Dominion 94, Ala.-Birmingham 88, OT
South Florida 73, North Carolina Charlotte 68
Semifinals, Sunday
South Alabama vs. Virginia Commonwealth
Old Dominion vs. South Florida
Championship, Monday

WEST COAST CONFERENCE
First Round, Saturday
San Diego 72, Gonzaga 62
San Francisco 101, Loyola Marymount 93
Pepperdine 97, Portland 62
St. Mary's, Calif. 79, Santa Clara 74
Semifinals, Sunday
Pepperdine vs. San Francisco
San Diego vs. St. Mary's, Calif.
Championship, Monday

TENNIS

VOLVO TOURNAMENT
In Chicago
Quarterfinals
Grant Connell, Canada, def. Jaime Yzaga, Peru, 6-4, 6-4; Patrick McEnroe (7), U.S., def. Richey Reneberg, U.S., 6-1, 7-6 (7-3); MaliVai Washington, U.S., def. Udo Riglewski, Germany, 4-6, 6-3, 6-0; John McEnroe (1), U.S., def. Alexander Mronz, Germany, default.
Semifinals
Patrick McEnroe (7), U.S., def. Connell, 4-6, 6-4, 6-4; John McEnroe (1), U.S., def. Washington, 7-6 (8-6), 6-7 (3-7), 6-4.

AMRO WORLD TENNIS TOURNAMENT
In Rotterdam
Semifinals
Ivan Lendl (1), Czechoslovakia, def. Anders Jarryd, Sweden, 7-5, 6-4; Omar Camporese, Italy, def. Paul Haarhuis, Netherlands, 6-7, 6-2, 7-6.
Final
Camporese def. Lendl (1), 3-6, 7-6 (7-4), 7-6 (7-4).

VIRGINIA SLIMS TOURNAMENT
In Palm Springs, California
Third Round
Monica Seles (1), Yugoslavia, def. Sabine Appelmans (11), Belgium, 6-3, 6-0; Katerina Maleeva (3), Bulgaria, def. Stacey Martin, U.S., 6-0, 6-2; Martina Navratilova (2), U.S., def. Ginger Helgeson, U.S., 6-0, 6-2; Amy Frazier (5), U.S., def. Cecilia Dahlman, Sweden, 6-3, 7-5; Nathalie Tauziat (7), France, def. Karin Kschwendt, Luxembourg, 6-3, 6-3; Patricia Hy, Canada, def. Amy Frazier (5), U.S., 4-6, 6-4, 6-3; Peanut Louie-Harper, U.S., def. Catarina Lindqvist (13), Sweden, 3-6, 6-4, 6-3; Helen Kelesi (8), Canada, def. Rosalyn Fairbank-Nideffer (10), U.S., 6-2, 6-4.

CRICKET

FIRST TEST
West Indies vs. Australia, Second Day
Saturday, in Kingston, Jamaica
West Indies 1st innings: 264
Australia 1st innings: 296-4

THIRD TEST
New Zealand vs. Sri Lanka, Third Day
Sunday, in Auckland, New Zealand
Sri Lanka 1st innings: 380
New Zealand 1st innings: 317 all out
Sri Lanka 2d innings: 62-2

SKIING

Men's World Cup

Top finishers in Saturday's slalom at Lillehammer, Norway: 1. Michael Tritscher, Austria, 1 minute, 52.93 seconds; 2. Thomas Stangassinger, Austria, 1:53.41; 3. Paul Accola, Switzerland, 1:54.10; 4. Marc Girardelli, Luxembourg, 1:54.84; 5. Carlo Gerosa, Italy, 1:55.16; 6. Mats Ericson, Sweden, 1:55.37; 7. Kjetil Andre Aamodt, Norway, 1:55.56; 8. Jonas Nilsson, Sweden, 1:55.73; 9. Francois Simond, 1:55.82; 10. (tie) Gunther Mader, Austria, and Hubert Strolz, Austria, 1:55.86.

Slalom standings: 1. Girardelli, 98 points; 2. Ole-Kristian Furuseth, Norway, 93; 3. Stangassinger, 73; 4. Tritscher, Austria, 56; 5. (tie) Rudolf Nierlich, Austria, and Accola, 55; 7. Thomas Fogdo, Sweden, 50; 8. Armin Bittner, Germany, 48; 9. Alberto Tomba, Italy, 40; 10. Bernhard Gstrein, Austria, 39.

Overall standings: 1. Girardelli, 215 points; 2. Tomba, 142; 3. Franz Heinzer, Switzerland, 129; 4. Nierlich, 121; 5. Furuseth, 119; 6. Mader, 97; 7. Accola, 94; 8. Lasse Kjus, Norway, 82; 9. Atle Skaardal, Norway, 79; 10. Stangassinger, 73.

Women's World Cup

Downhill standings: 1. Petra Kronberger, Austria, 82 points; 2. Chantal Bournissen, Switzerland, 80; 3. Carole Merle, France, 73; 4. Katrin Gutensohn, Germany, 72; 5. Sabine Ginther, Austria, 57; 6. Warwara Zelenskaja, Soviet Union, 51; (tie) Veronika Wallinger, Austria, 51; 8. Kerrin Lee-Gartner, Canada, 45; 9. Anja Haas, Austria, 43; 10. Katja Seizinger, Germany, 34.

Super-g standings: 1. Merle, 88; 2. Kronberger, 70; 3. Michaela Gerg, Germany, 44; 4. (tie) Karin Dedler, Germany, and Seizinger, 33; 6. (tie) Bournissen, and Sigrid Wolf, Austria, 30; 8. Ginther, 28; 9. Sylvia Eder, Austria, 26; 10. Laroche, 24.

Overall standings: 1. Kronberger, 285 points; 2. Merle, 173; 3. (tie) Bournissen and Ginther, 121; 5. (tie) Wachter and Gerg, 92; 7. (tie) Gutensohn and Vreni Schneider, Switzerland, 87; 9. Seizinger, 79; 10. Ingrid Salvenmoser, Austria, 75.

HOCKEY

NHL Standings

WALES CONFERENCE

Patrick Division

	W	L	T	Pts	GF	GA
N.Y. Rangers	33	22	12	78	253	210
Philadelphia	31	27	9	71	222	209
Pittsburgh	32	30	4	68	281	257
New Jersey	28	27	11	67	233	218
Washington	29	32	5	63	211	228
N.Y. Islanders	21	37	9	51	190	247

Adams Division

	W	L	T	Pts	GF	GA
x-Boston	37	21	8	82	247	222
x-Montreal	34	25	8	76	231	207
x-Buffalo	25	25	16	66	233	226
Hartford	28	30	8	64	199	222
Quebec	12	42	12	36	187	298

CAMPBELL CONFERENCE

Norris Division

	W	L	T	Pts	GF	GA
x-St. Louis	39	18	9	87	264	210
x-Chicago	39	21	6	84	221	173
Detroit	28	32	8	64	235	256
Minnesota	21	33	13	55	207	227
Toronto	18	41	7	43	197	275

Smythe Division

	W	L	T	Pts	GF	GA
x-Los Angeles	39	20	7	85	284	209
x-Calgary	37	22	7	81	282	211
Edmonton	30	31	5	65	223	220
Winnipeg	23	35	11	57	230	248
Vancouver	24	37	7	55	207	265

x-clinched playoff berth

FRIDAY'S RESULTS

New Jersey 3 3 0—6
Detroit 0 0 1—1
MacLean 2 (38), Morris (8), Madill (4), Muller (17), Shanahan (23); Detroit Crossman (6). Shots on goal: New Jersey (on Cheveldae, Hanlon) 10-6-10—26. Detroit (on Terreri) 10-10-4—24.

Pittsburgh 1 1 0—2
Calgary 2 2 2—6
Cullen (31), Lemieux (9); Reichel (15), Makarov 2 (26), M. Hunter (10), Fleury 2 (37). Shots on goal: Pittsburgh (on Wamsley) 11-5-7—23. Calgary (on Barrasso) 7-18-16—41.

Minnesota 0 1 0—1
Edmonton 0 0 1—1
Wagner (35); Gelinas (14). Shots on goal: Minnesota (on Ranford, Fuhr) 5-8-6-3—22. Edmonton (on Hayward) 13-4-13-1—31.

Montreal 3 2 2—7
Vancouver 1 0 0—1
Skrudland (15), Schneider (8), S. Lebeau 2 (22), Savard (23), Courtnall (23), Richer (21); Linden (28). Shots on goal: Montreal (on Moog, McLean) 9-14-7—30. Vancouver (on Bergeron) 15-7-8—30.

SATURDAY'S RESULTS

Buffalo 1 4 2—7
Boston 1 3 0—4
Ramsey (6), Volve (23), Mogilny (23), Turgeon (28), Ray (5), Makela (15), Shannon (4); Neely 2 (42), B. Sweeney (11), Hodge (23). Shots on goal: Buffalo (on Moog) 11-14-7—32. Boston (on Malarchuk) 11-14-12—37.

St. Louis 1 2 1 0—4
Philadelphia 0 2 2 0—4
Oates (20), Brind'Amour (15), Stevens (5), Hull (70); Ricci (20), Acton (14), Berube (5), Eklund (14). Shots on goal: St. Louis (on Hextall) 7-10-6-0—23. Philadelphia (on Jablonski) 5-8-10-1—24.

Hartford 4 3 0—8
Quebec 1 0 2—3
Tomiak (7), Cunneyworth (8), Brown (23); Hough (10), Miller 2 (4). Shots on goal: Hartford (on Tugnutt) 10-13-6-1—30. Quebec (on Whitmore) 9-7-9-2—27.

N.Y. Islanders 1 1 0—2
Washington 0 2 1—3
LaFontaine (36), Wood (17); Khristich (7), Hatcher (19), Pivonka (15). Shots on goal: New York (on Liut) 7-8-7—22. Washington (on Healy) 11-11-9—31.

Minnesota 1 0 0—1
Calgary 3 1 1—5
Dahlen (15); Otto (16), Nieuwendyk (36), Fleury 2 (39), Roberts (19). Shots on goal: Minnesota (on Vernon) 10-8-9—27. Calgary (on Casey) 13-10-8—31.

Montreal 2 0 1—3
Edmonton 0 0 1—1
Corson (18), Schneider (9), McPhee (19); Klima (32). Shots on goal: Montreal (on Fuhr) 15-5-6—26. Edmonton (on Racicot) 5-10-13—28.

N.Y. Rangers 1 1 3—5
Toronto 1 0 1—2
Gartner (38), Turcotte (19), Mullen (17), Ogrodnick 2 (28); Fergus (1), Damphousse (21). Shots on goal: New York (on Reese) 6-15-9—30. Toronto (on Vanbiesbrouck) 8-7-9—24.

Winnipeg 2 0 1—3
Los Angeles 2 2 2—6
McLlwain (13), Elynuik (28), Sykes (11); Sandstrom (36), Granato (24), Taylor (19), Duchesne (17), Halkidis (1), M. Donnelly (5). Shots on goal: Winnipeg (on Hrudey) 13-7-12—32. Los Angeles (on Essensa) 16-7-8—31.

TRANSACTIONS

BASEBALL

American League

BALTIMORE—Agreed to terms with Dave Johnson, pitcher, on one-year contract, and with Joe Price, pitcher, on minor league contract.

BOSTON—Agreed to terms with Tom Bolton, Jeff Gray and Dana Kiecker, pitchers, on one-year contracts.

CALIFORNIA—Agreed to terms with Mark Davis, outfielder, on one-year contract.

CLEVELAND—Agreed to terms with Carlos Martinez, first baseman-outfielder, on minor league contract.

MILWAUKEE—Agreed to terms with Bill Spiers and Kiki Diaz, shortstops, and with Gary Sheffield, third baseman, and Juan Navarro, pitcher, on one-year contracts.

N.Y. YANKEES—Agreed to terms with Gerald Williams, outfielder, and Steve Adkins, pitcher, on one-year contracts.

OAKLAND—Agreed to terms with Troy Afenir, catcher, and Scott Hemond, infielder-catcher, on one-year contracts.

SEATTLE—Agreed to terms with Omar Vizquel, shortstop, and Gene Harris and Dave Richards, pitchers, on one-year contracts.

TORONTO—Agreed to terms with Glenallen Hill, outfielder, and Greg Myers, catcher, on one-year contracts. Named J.J. Cannon manager of Medicine Hat, Pioneer League.

National League

ATLANTA—Agreed to terms with Steve Avery and Ben Rivera, pitchers, and Vinny Castilla, infielder, on one-year contracts.

CINCINNATI—Agreed to terms with Rob Dibble, pitcher, on one-year contract.

SOCCER

DUTCH FIRST DIVISION
Heerenveen 1, MVV Maastricht 0
PSV Eindhoven 6, Feyenoord Rotterdam 0
Ajax Amsterdam 1, FC Groningen 1
Vitesse Arnhem 2, Willem II Tilburg 0
FC Den Haag 1, Volendam 3
RKC Waalwijk 3, NEC Nijmegen 0
Sparta Rotterdam 1, FC Twente Enschede 3
SVV Schiedam 2, Fortuna Sittard 0
Standings: PSV Eindhoven 31 points; FC Groningen 27; Ajax Amsterdam 26; FC Utrecht 20; Roda JC Kerkrade, Vitesse Arnhem, FC Den Haag and Fortuna Sittard 18; FC Twente Enschede, Willem II Tilburg and RKC Waalwijk 17; SVV Schiedam 16; FC Volendam 15; Feyenoord Rotterdam and Sparta Rotterdam 14; NEC Nijmegen 13; MVV Maastricht 11; SC Heerenveen 8.

ENGLISH FIRST DIVISION
Coventry 3, Crystal Palace 1
Derby 3, Sunderland 3
Luton 1, Nottingham Forest 0
Manchester United 0, Everton 2
Queens Park Rangers 1, Manchester City 0
Sheffield United 2, Aston Villa 1
Southampton 2, Leeds 0
Tottenham 1, Chelsea 1
Wimbledon 0, Norwich 0
Liverpool 0, Arsenal 1
Standings: Arsenal 57 points; Liverpool 54; Crystal Palace 49; Leeds 43; Manchester United and Wimbledon 40; Tottenham 39; Manchester City 38; Chelsea 37; Norwich 34; Everton 33; Nottingham Forest 32; Southampton and Luton 29; Aston Villa, Coventry, Queens Park Rangers, and Sheffield United 28; Sunderland 26; Derby 20.

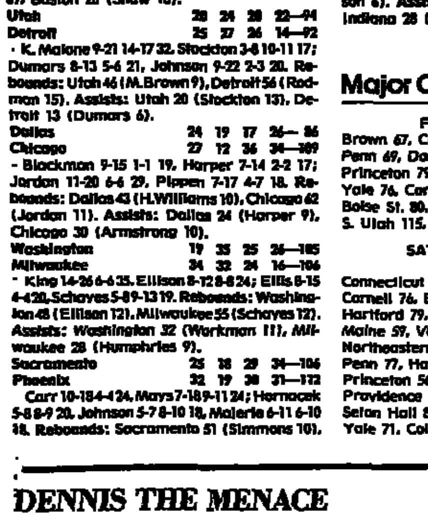
FRENCH FIRST DIVISION
Marseille 1, Monaco 0
Nice 2, Montpellier 0
Auxerre 3, Toulon 0
Lyon 0, Nancy 1
Nantes 2, Paris St Germain 0
Sochaux 1, Lille 0
Bordeaux 2, St Etienne 1
Toulouse 2, Cannes 2
Caen 1, Brest 2
Metz 2, Rennes 0
Standings: Marseille 43 points; Monaco 37; Auxerre 35; Cannes 32; Montpellier 31; Nantes 29; Lille, Metz, Paris and Lyon 28; Nice 27; Caen 26; Brest, Bordeaux and Nancy 26; Sochaux 25; St Etienne, Toulon and Rennes 24; Toulouse 23.

GERMAN FIRST DIVISION
SG Wattenscheid 0, Bayer Uerdingen 0
Hamburg SV 1, Fortuna Duesseldorf 0
Eintracht Frankfurt 4, FC Kaiserslautern 3
Borussia Dortmund 2, Karlsruhe SC 2
Hertha Berlin 0, VfB Stuttgart 2
Bayern Munich 0, FC St. Pauli 1
FC Nuremberg 1, Bayer Leverkusen 0
FC Cologne 0, VfL Bochum 0
Standings: Werder Bremen and Bayern Munich 25 points; FC Kaiserslautern 24; Eintracht Frankfurt 23; FC Cologne and Borussia Dortmund 21; Hamburg SV 20; VfL Bochum 19; Bayer Leverkusen, VfB Stuttgart and SG Wattenscheid 18; Fortuna Duesseldorf 17; Karlsruhe SC, FC St. Pauli, FC Nuremberg, and Bayer Uerdingen 15; Borussia Moenchengladbach 14; Hertha Berlin 9.

ITALIAN FIRST DIVISION
Atalanta 1, Sampdoria 1
Cesena 3, Bologna 2
Genoa 3, Bari 1
Lazio 1, Juventus 0
Lecce 1, AS Roma 1
AC Milan 4, Napoli 1
Parma 1, Fiorentina 0
Pisa 0, Internazionale 1
Torino 1, Cagliari 1
Standings: Internazionale and Sampdoria 33 points; Milan 32; Juventus 28; Parma 27; Genoa and Lazio 26; Torino and Roma 24; Napoli 22; Bari 21; Fiorentina and Atalanta 20; Lecce 19; Pisa 17; Cagliari 15; Bologna 14; Cesena 13.

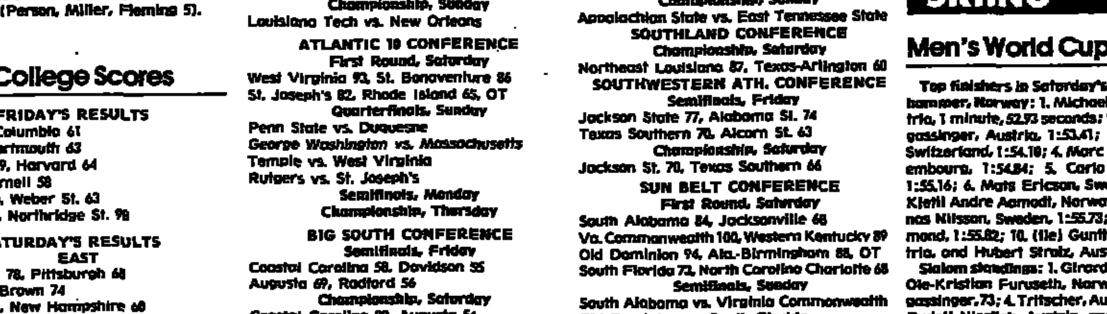
SPANISH FIRST DIVISION
Cadiz 1, Real Madrid 0
Barcelona 1, Tenerife 0
Seville 3, Betis 2

DENNIS THE MENACE

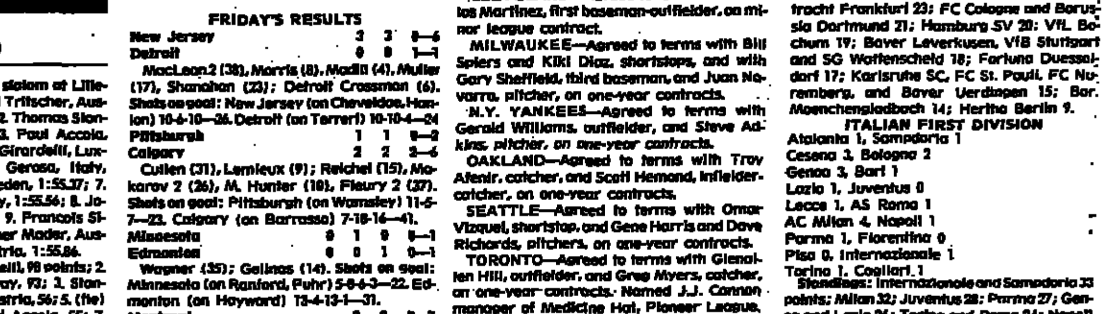


"MARGARET ASKED ME TO PAY HER A COMPLIMENT, BUT ALL I HAD WAS A NICKEL."

PEANUTS

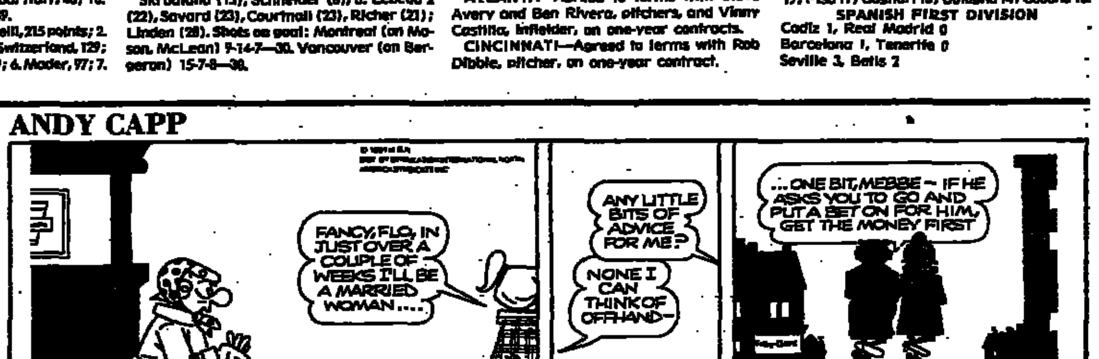


ANDY CAPP



BLONDIE

WIZARD of ID



JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

IRROG

TILOP

SHOCUL

ENBLIM

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here:

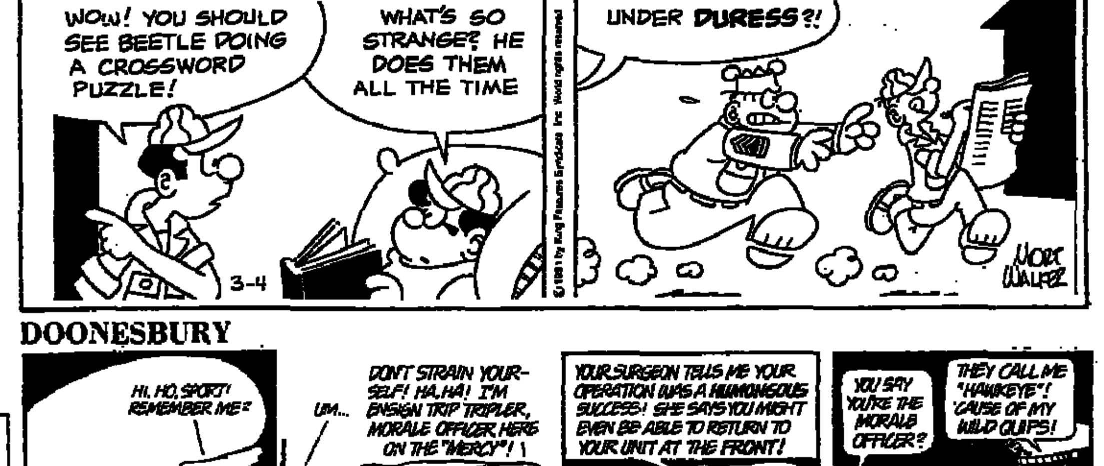
(Answers tomorrow)

Saturday's Jumbles: JUROR LAUGH COSTLY MUFFIN
Answer: How the interrupter listens— ONLY WITH HIS MOUTH

BEETLE BAILEY

REX MORGAN

DOONESBURY



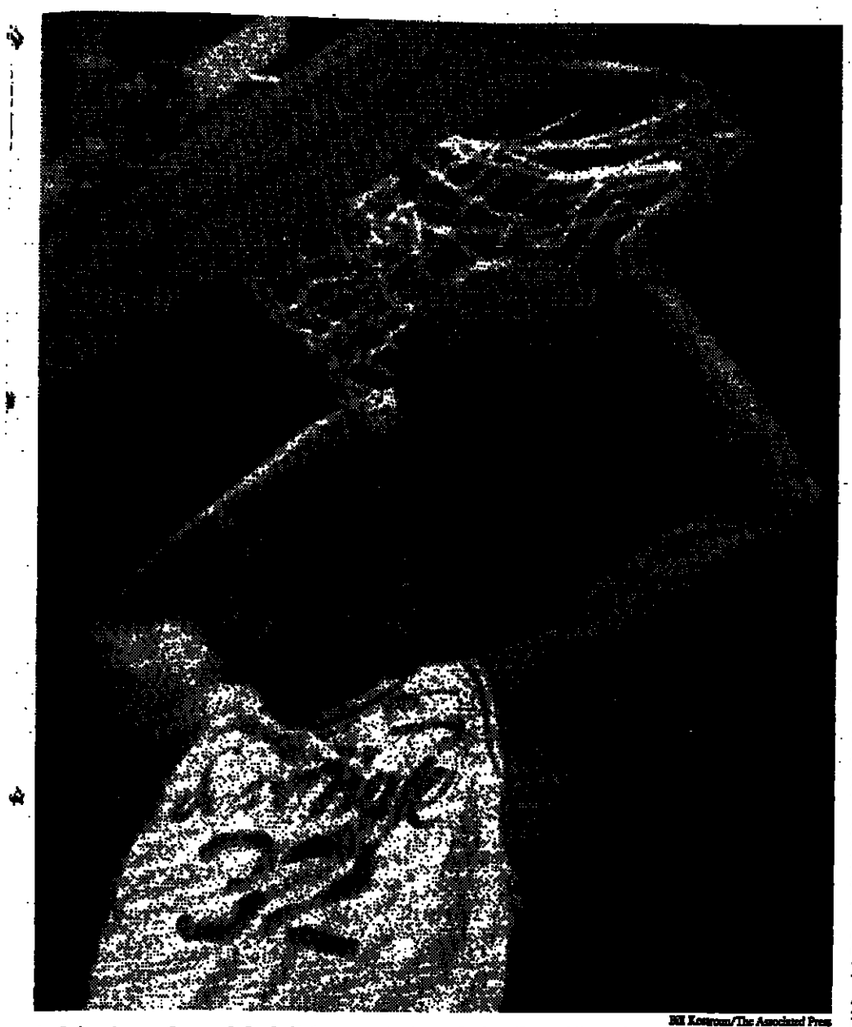
GARFIELD

TO OUR READERS IN BERLIN

You can now receive the IHT hand delivered to your home or office every morning on the day of publication. Contact our Frankfurt office today. Phone: (069) 69 48 92 Fax: (069) 69 48 94

صكوك الأهلي

MONDAY SPORTS



Bill Kostroun/The Associated Press

Anthony Avent slammed the ball through the hoop during Seton Hall's 81-74 victory over Boston College in East Rutherford, New Jersey. Avent led all scorers with 23 points and had 11 rebounds.

No. 6 Syracuse Edges Georgetown, 62-58

Compiled by Our Staff From Dispatches

Billy Owens sank two free throws Sunday with 4.3 seconds left and No. 6 Syracuse edged past Georgetown, 62-58, in a Big East Conference game in Syracuse, New York.

Syracuse, the Big East champion, raised its record to 26-4 overall and 12-4 in the conference. Georgetown, 16-11 and 8-8, needed a victory to improve its chances of receiving a bid to the National Collegiate Athletic Association tournament.

Owens overcame poor shooting to finish with 21 points, nine rebounds and seven assists. Dave Johnson added 19 points and eight rebounds.

Alonzo Mourning had 24 points and 11 rebounds for Georgetown.

Dikembe Mutombo sank a free throw to cut Georgetown's deficit to 60-58 with 6.4 seconds left, but he missed a second attempt and Owens grabbed the rebound and was fouled.

Charles Harrison of Georgetown had hit a three-pointer to cut it to 58-57 with 1:35 left, but Owens followed with a short jumper to put Syracuse on top 60-57 with 1:12 remaining. Mike Hopkins hit two free throws to put Syracuse ahead for good 56-54 with 3:29 to play.

Owens made a three-pointer to give Syracuse its first lead of the second half at 54-52 with 4:27 left. He scored his first points of the second half with a left-handed hook at 12:58, and followed with a three-pointer that cut the Syracuse deficit to 42-38 with 12:18 left. Georgetown enjoyed its biggest lead at 42-33 with 13:29 to go.

Syracuse broke to an 8-0 lead 2:02 into the game. But, with Mourning scoring 11 points, the Hoyas were ahead, 30-25, at the half.

No. 1 UNLV 104, Cal State Fullerton 83: Nevada-Las Vegas, the defending NCAA champion, became the first major college team in 12 years to go through the regular season unbeaten as Larry Johnson scored 33 points for the Runnin' Rebels in the game Saturday in Fullerton, California.

Las Vegas, which last lost Feb. 26, 1990, at Cal Santa Barbara, won its 38th straight game and finished this season with a 27-0 record. Indiana State's 1978-79 team was the last previous team to have a perfect regular season. Fullerton ended with a 14-13 record overall and 7-11 in the Big West.

No. 5 Indiana 74, Wisconsin 61: Calbert Cheaney scored 24 of his 30 points in the second half in Madison, Wisconsin.

Rugged rebounding early in the game enabled the Badgers (13-13, 7-9 in the Big Ten) to hold a 26-23 halftime lead, but Cheaney put the Hoosiers in front, 28-26, early in the second half when he made a 3-pointer. Indiana improved to 25-4 overall, 13-3 in the conference.

Oregon 62, No. 7 Arizona 58: Terrell Brandon scored 19 points, two on a goaltending call on Brian Williams with 46 seconds to play. Jordy Lyden clinched the victory by sinking two free throws with 10 seconds to play. Arizona (24-6, 12-4), which could have claimed sole possession of the Pac-10 title with a victory, never led against the Ducks (8-8, 13-13), playing at home in Eugene.

No. 9 Utah 72, BYU 71: Josh Grant scored 17 points in Provo, Utah, and made the first of two free throws with 34 seconds in overtime to give the lead to Utah (26-2, 15-1 Western Athletic Conference). BYU fell to 17-12 and 11-5.

The Cougars' Mark Santiago missed a 15-foot jumper with three seconds left and Utah's Jimmy Soto grabbed the rebound to ensure the Utes' victory.

No. 11 New Mexico State 105, Fresno State 80: In Las Cruces, New Mexico, Tracey Ware scored 21 points for New Mexico State (23-4, 15-3), which finished the regular season in second place in the Big West behind UNLV. Fresno State (12-15, 7-11) was led by Carl Ray Harris with 20 points.

Iowa State 68, No. 12 Oklahoma State 67: Skip McCoy scored five straight points in the final 2:30 as the Cyclones, at home in Ames, kept the Cowboys (21-6 and 10-4) from clinching a share of their first Big Eight title in 26 years.

McCoy, who finished with 10 points, made a 3-point shot with 2:30 left to pull the Cyclones (12-18, 6-8) to 63-62. A minute later, he was fouled on a 3-point shot and made two of three free throws.

No. 13 Kentucky 114, Auburn 93: Jamal Mashburn scored 21 points and Richie Farmer 20 for Kentucky (22-6, 14-4), playing at home in Lexington. Kentucky had the best record in the Southeastern Conference but is on probation. Ronnie Battle scored 21 points and Wesley Person 20 for Auburn (12-15, 5-13).

Tulane 82, No. 14 Southern Mississippi 65: Anthony Reed scored 22 points for Tulane (15-12), which led by as much as 23 in New Orleans. Clarence Weatherspoon led Southern Miss (21-6) with 18.

DePaul 79, No. 17 St. John's 69: David Booth scored 27 points in Rosemont, Illinois, as unranked DePaul (18-8) won for the 10th time in 11 games and all but ensured an NCAA tournament invitation. St. John's (20-7) lost its sixth road game in 10 starts.

Reserve Stephen Howard scored 18 points for DePaul, which broke open the game in the second half, pulling to a 17-point lead at 69-52. Malik Sealy led St. John's with 17 points.

No. 23 Mississippi State 76, No. 18 LSU 73: Greg Carter scored 20 points for Mississippi State (20-7), which won a share of the Southeastern Conference title by equaling LSU's league mark of 13-5. Kentucky, ineligible for the league title by SEC edict because of NCAA probation, has the best record in the conference.

Shaquille O'Neal, averaging 27.7 points, 14.6 rebounds and five blocks a game for LSU, did not play in Starkville, Mississippi, because of a bruised left leg.

No. 19 E. Tennessee State 104, Tennessee-Chattanooga 71: Keith Jennings moved into second place on the NCAA career assist list in pushing East Tennessee (27-4) into the finals of the Southern Conference tournament against Appalachian State in Asheville, North Carolina.

Jennings, who scored 21 points, had nine assists to move past Sherman Douglas of Syracuse with 965. Chris Corchiani of North Carolina State, who broke Douglas's record of 960 earlier in the month, has 1,004.

No. 20 Seton Hall 81, Boston College 74: Anthony Avent had 23 points and 11 rebounds and Terry Dehere scored 22 in East Rutherford, New Jersey, as Seton Hall (19-8 overall, 9-7 Big East) handed Boston College (11-18) its 15th loss in 16 league games.

BC led, 52-48, with 12:05 remaining before Dehere hit a basket and two three-pointers. Gerrod Abram led Boston College with 22 points.

No. 21 Princeton 56, Dartmouth 49: The Tigers (23-2, 14-0) completed the first undefeated Ivy League season since 1976 as Sean Jackson scored 17 points in Hanover, New Hampshire. Princeton finishes its regular season March 10 against Loyola Marymount. Dartmouth (9-17, 4-10) tailed, 21-18, at halftime and stayed close during the second half.

Kit Mueller, Princeton's 6-foot, 7-inch (2-meter) senior center, got 21 points, 12 rebounds and 8 assists Friday night as the Tigers beat Harvard, 79-64.

Connecticut 78, No. 22 Pitt 68: Chris Smith scored 18 points in less than seven minutes of the first half, helping Connecticut (18-9, 9-7 Big East) take charge in Pittsburgh. Pitt fell to 20-10, 9-7.

Pitt led 21-20 when Smith scored 11 points in a row and 14 overall during a 16-3 Connecticut run. Smith finished with 26 points. Darrelle Porter led Pitt with 19 points.

No. 24 Alabama 96, Tennessee 88: Freshman James Robinson scored 20 of his 25 points in the first half and Alabama (18-9, 12-6 Southeastern Conference) built a 22-point halftime lead in Tuscaloosa, Alabama.

Tennessee (9-21, 3-15) was led by Allan Houston with 26 points. Alabama got 17 points from Melvin Cheatum and 15 from Gary Waites.

Maryland 78, No. 25 Virginia 74: Walt Williams scored 21 points as Maryland (16-12, 5-9 Atlantic Coast Conference) overcame a 12-point halftime deficit to post its first conference road victory this season in overtime. Matt Roe and Kevin McLinton each added 18 points for the Terps, who are on NCAA probation and ineligible for postseason play.

Virginia (20-10, 6-8) was led by Bryant Stith's 23 points.

COLLEGE BASKETBALL

Connecticut's Coach A Loser on the Road

United Press International

PITTSBURGH — Connecticut's basketball coach, Jim Calhoun, needed 10 stitches to close cuts on his nose and forehead after he dived off a road to avoid being hit by a car while jogging before the Huskies' game with Pittsburgh.

Calhoun was jogging on a narrow access road near the suburban Greentree Mariott hotel, where the Huskies stayed, when he heard the car approach and dived toward the berm, a team spokesman said. The team's doctor put eight stitches in his forehead and two on his nose.

"I won tonight, but I lost this afternoon," Calhoun said after the Huskies beat the Panthers, 78-68.

■ Tournaments

Several teams moved a step closer to the NCAA tournament during the weekend.

Fordham beat Holy Cross, 84-81, for the Patriot League title on Jean Prioleau's three-pointer at the buzzer in overtime in Worcester, Massachusetts. The Rams (24-6) play the Northeast Conference winner, Farleigh Dickinson or St. Francis of Pennsylvania, for an NCAA berth.

In Monroe, Louisiana, Chris Crease scored a career-high 20 points off the bench and Northeast Louisiana (24-7) rolled to an 87-60 victory over Texas-Arlington in the championship game of the Southland Conference tournament. Northeast Louisiana plays the Mid-Eastern Athletic Conference champion, Florida A&M, for an NCAA berth. Florida A&M (17-13) beat Delaware State, 84-80, in overtime.

Eighth-seeded Navy shocked top seed James Madison, 85-82, in overtime at the Colonial Athletic Association conference tournament in Richmond, Virginia. Erik Harris led the Midshipmen with 22 points and Michael Burd added 20. Steve Hood led James Madison with 21.

(AP, UPI)

SIDELINES

Ottey Breaks Women's 200 Record

SINDELFINGEN, Germany (AP) — Merlene Ottey of Jamaica set a world indoor record of 22.24 seconds for the women's 200 meters Sunday, while Ben Johnson ran the fastest race in his comeback to win the 60 meters.

Ottey, tuning up for the World Indoor Championships next weekend in Seville, Spain, clipped three-hundredths of a second off the mark of 22.27 set by Heike Drechsler of Germany on March 7, 1987, at the inaugural World Indoor Championships in Indianapolis.

Johnson, running in his eighth race since beginning a comeback in January after a two-year suspension for use of drugs, won the men's 60 in 6.58 and led all the way in posting his fifth victory of the season. Ray Stewart of Jamaica was second in 6.59, and Calvin Smith of the United States third in 6.60.

● British sprinters Linford Christie, Darren Braithwaite, Ade Mafe and John Regis set a world record of 1 minute, 22.13 seconds in the men's indoor 800-meter relay Sunday in Glasgow. The previous record, 1:22.32, was set by the Italian national team in February 1984 in Turin.

Woosnam Wins as McLean Falters

SAINT RAPHAEL, France (AP) — Ian Woosnam won the Mediterranean Open golf tournament by overcoming fellow Briton Michael McLean's four-stroke lead in the final three holes Sunday.

Woosnam, the defending champion, shot 4-under-par 67 over the 6,475-yard (5,931-meter) Esterel course for a 279 total that beat McLean by one shot. McLean led by four shots with three holes to play, then bogeyed the 16th and 17th while Woosnam birdied the 17th.

José María Olazábal of Spain, who was fined Saturday after a dispute over course conditions, shot 69 and tied for third at 271 with countryman Miguel Martín.

Bean Leads by a Stroke in U.S. Golf

MIAMI (AP) — Andy Bean made up three shots on the last three holes against Russ Cochran and took a one-stroke lead into Sunday's final round of the Doral Open as Jack Nicklaus faltered with a humbling 75 Saturday after carding a 63 the round before.

Bean, 38, put himself in position to win for his first tournament in five years with a 5-under-par 67 that included a 110-yard wedge shot for an eagle-3 on the eighth hole. Nicklaus was six strokes behind the leader, with eight players in front of him, after a struggling 39 over the back nine.

Bianchi Fired as Head of NBA Knicks

NEW YORK (NYT) — In a major restructuring of Madison Square Garden Sports Group, Al Bianchi has been dismissed as the vice president and general manager of the National Basketball Association's New York Knicks.

David Checketts, a former executive with the Utah Jazz and the NBA, was appointed president of the Knicks on Friday and given wide-ranging authority regarding all aspects of the organization.

Bianchi had been on shaky ground because of the Knicks' disappointing record and sagging attendance. They had 27 home sellouts last season, compared with only seven this season with 11 home games left.

Test Shows Haugen Had Used Marijuana

LAS VEGAS (AP) — Greg Haugen tested positive for marijuana after defeating Hector (Macho) Camacho by a split decision last weekend and winning the World Boxing Organization junior welterweight title, state boxing officials said.

A lab test turned up traces of the drug in Haugen's urine sample, which was taken after the bout.

An official said the Nevada State Athletic Commission, at its March 12 meeting, would set a date for a hearing on the drug test. Haugen faces fines and the suspension of his license to box in the state.

● Dingaan Thobela of South Africa, defending his WBO lightweight title for the first time, defeated Mario Martinez of Mexico in a unanimous 12-round decision Saturday in San Jose, California.

For the Record

Goaltender Kari Takko, 27, has retired rather than report to the Maine Mariners of the American Hockey League and may join Finland's national team, the NHL's Edmonton Oilers said Friday. *(AP)*

Diego Maradona has been fined 85,300 by Italian soccer's disciplinary committee for missing six Napoli practices in December. *(Reuters)*

The 19th Iditarod Trail Sled Dog Race began Saturday in Anchorage with more than 1,400 dogs and a record 75 mushers, among them competitors from Great Britain, Japan, France and, for the first time, the Soviet Union. *(AP)*

Five Nations Showdown Set for France and England

Blanco Scores First and Last During 36-3 Rout of Wales

Compiled by Our Staff From Dispatches

PARIS — France's national rugby team has its sights set on the Five Nations showdown in England on March 16 after having bludgeoned Wales, 36-3, at Parc des Princes.

The victory Saturday was France's biggest ever in the tournament and bettered the 37-12 trouncing of England here 19 years ago.

Jean Trillo, one of the team's two coaches, said he was "almost overwhelmed. If you think of the number of tries we've missed in the last three matches, the performance today was even more impressive."

The French captain, Serge Blanco, capped his Five Nations career in Paris by quickly scoring a try, then kicking a conversion in the final minute as France raised its record to 3-0. Wales fell to 0-2-1.

Blanco scored in the game's third minute. He kicked the ball downfield, then outran Paul Thorburn to down it in the end zone for the try.

Didier Camberabero missed on the conversion, but France upped the score to 8-0 just eight minutes later when Philippe Saint-André scored a try after his team brought the ball downfield with a series of quick passes and inside moves.

Camberabero missed on the conversion again, and missed a penalty kick of 30 meters, while Wales finally got on the scoreboard with Thorburn's penalty kick of 53 meters (175 feet) in the 30th minute.

But Camberabero finally straightened himself out and was good on a 20-meter penalty kick soon after to make it 11-3, then with another penalty kick made it 14-3 at intermission.

France continued to dominate the match in the second half, scoring four tries while Wales rarely brought the ball within 25 meters of the French goal.

Franck Mesnel scored early in the second period to increase the margin to 18-3, and a few minutes later Olivier Roumat bulled over from the five-meter line to up it to 24-3 after Camberabero's conversion.

France was still not through. Philippe Sella, returning to the French lineup after an injury, added a try that with the conversion brought the score to 30-3.

In the final minute, Jean-Baptiste Lafond's try made it 34-3 and Camberabero gave way to Blanco, who kicked the conversion as time ran out. In a tribute to the French captain, who has made more than 80 appearances as a international since 1980, the crowd cheered even more loudly. *(Reuters, AP)*

Agence France-Presse

Blanco: Quickly a try, then the final conversion.

SCORING SUMMARY:

France — Tries: Blanco 3d, Saint-André 11th, Mesnel 53d, Roumat 58th, Sella 73d, Lafond 80th; Penalties: Camberabero 32d, 36th; Conversions: Camberabero 58th, 73d, Blanco 80th.

Wales — Penalties: Thorburn 26th.

England Unimpressive as Underwood And Teague Save Day Against Ireland

Compiled by Our Staff From Dispatches

DUBLIN — England came from behind to beat Ireland, but didn't impress the home team's coach, Ciaran Fitzgerald.

The 16-7 victory Saturday, after earlier triumphs over Wales and Scotland in the Five Nations rugby union tournament, gave England the Triple Crown and set up the grand finale against France at Twickenham in two weeks, when the Grand Slam will be at stake for both undefeated teams.

But Fitzgerald, after watching England squeeze past his team in a muddy game at Lansdowne Road and looking at highlights of France's rout of Wales in Paris, said the French team was playing far better.

"We've played and lost to both, and I believe that France has more options," he said. "England will have to improve considerably on this performance to beat France.

"Playing against France, you think you have everything closed down but they suddenly produce a score out of nothing," he said.

Not surprisingly, England's manager, Geoff Cooke, disagreed with Fitzgerald's forecast.

"We have the advantage of being at Twickenham," Cooke said. "We've done well against France in the last couple of years, and it is an ideal preparation to face them by being rattled to our teeth today.

"I suppose we played to 50 percent of our ability, but the conditions were difficult out there."

Rory Underwood and Mike Teague scored tries in the final seven minutes to give England its victory.

The Irish, whose defense repeatedly turned back their opponents in the first half, led by 7-3 with 18 minutes left, then seemed to tire and the English to perk up with the wind now at their backs.

Simon Hodgkinson kicked a penalty to make it 7-6 as England began dominating play.

The visitors took the lead for the first time when Underwood scored the 26th try of his international career with seven minutes remaining. He broke four tackles en route to giving England a 10-7 lead.

Then, with time running out, Teague took a pass from Rob Andrew and scored a try that was converted by Hodgkinson, making the score 16-7.

Brian Smith had opened the scoring for Ireland in the 24th minute with a penalty kick from 50 meters. Hodgkinson, who earlier had missed on three penalty kicks, finally was good just before the end of the half to make it 3-3.

Then right wing Simon Geoghegan scored a try in the third minute of the second half to give Ireland a 7-3 lead.

Ireland had two five-yard scrums and, from the second, Geoghegan ran through Underwood's attempted tackle at the corner. It was Ireland's first championship try against England in four years, but those were the last points the Irish were to get Saturday. *(Reuters, AP, AFP)*

SCORING SUMMARY:

Ireland — Tries: Geoghegan 43d; Penalties: Smith 24th.

England — Tries: Underwood 73d, Teague 80th; Penalties: Hodgkinson 40th, 63d; Conversions: Hodgkinson 80th.

Five Nations Standings

	P	W	T	L	PF	PA	Pt
England	3	3	0	0	62	35	6
France	3	3	0	0	72	35	6
Scotland	3	1	0	2	53	48	2
Ireland	3	0	1	2	41	55	1
Wales	4	0	1	3	42	114	1

David Mills/Agence France-Presse

George Brett signaling for silence from a young fan who kept calling Brett's name at a workout at the Royals' camp in Florida.

Williams and Giants Reach Contract

The Associated Press

Matt Williams, who led the National League in runs batted in last season, has agreed to a $2.6 million, two-year contract with the San Francisco Giants.

The 25-year-old third baseman, who drove in 122 runs last season, will get a record contract for a player not yet eligible for salary arbitration. He will receive $600,000 this season and $2 million in 1992, when he would have been eligible. He had a base salary of $190,000 last year and earned $25,000 more for making the All-Star team.

"I'm very happy with the contract," Williams said Saturday after a four-hour workout in Scottsdale, Arizona. "If I go out and have the same type of year as 1990, I might have made more money in a year. But who cares? That's not a big deal. Security is primary to me."

In 1990, his first full season in the major leagues, Williams hit .277 with 33 home runs.

"My personal preference was to do a one-year contract," said Williams's agent, Jeff Moorad. "I have faith in Matt and that the market will continue to escalate. But he wanted security for his family and felt it was prudent to lock in."

Williams' $2.6 million deal before reaching arbitration eligibility tops the $2.535 million, two-year deal agreed to Thursday by Ken Griffey Jr. of Seattle.

Reliever Rob Dibble and the Cincinnati Reds agreed Saturday on a one-year contract worth approximately $500,000. Dibble had threatened to leave training camp in Plant City, Florida, if he didn't get a contract that satisfied him.

Ramon Martinez agreed to end his holdout after settling with the Los Angeles Dodgers on a one-year contract worth $485,000.

Martinez, 20-6 last season with a 2.92 earned-run average, had been asking for about $500,000; the Dodgers were offering approximately $400,000. They had renewed his contract in 1990 for $150,000.

Martinez, who had remained in his native Dominican Republic during the dispute, is to meet Tuesday with his agent and the Dodgers' general manager, Fred Claire. He is to begin workouts Wednesday in Vero Beach, Florida.

Ryne Sandberg's deadline for a contract extension passed Saturday without a new deal with the Chicago Cubs.

"You will not hear about my contract again and I will work even harder toward bringing a World Series to Chicago," Sandberg said in Mesa, Arizona.

The second baseman, who led the National League with 40 home runs last season, is signed for 1991 at $2.2 million and the Cubs have a 1992 option at $2.1 million. He had sought a three-year, $15 million extension while the team offered about $1 million less.

Sandberg had set the deadline, saying he did not want talks to disrupt him during the season.

Joe Magrane will miss the entire season for St. Louis. The pitcher found out Friday that he needs surgery on his left elbow.

Teammates Todd Worrell, John Tudor, Danny Cox, Greg Mathews and Ken Dayley have also recently run into physical problems. Only Worrell is still with the team.

The team physician, Stan London, said Magrane would undergo surgery April 1 to correct medial collateral ligament damage.

Upcoming
Special Reports on Spain
Catalonia — March 28
Andalucia — April 8
Spanish Economy — June 26
For further information, contact:
Alfredo Umlauff Sarmiento in Madrid.
Tel.: (34-1) 564 51 21
Fax: (34-1) 564 52 89
International Herald Tribune.

AT&T USADirect® Service.
Your express connection to AT&T service.
Calling the States when you're overseas has never been easier. All you have to do is dial a number to be connected to an AT&T Operator in the U.S. You can use your AT&T Calling Card or call collect.
AT&T USADirect Service is available in over 80 countries. Here are some of them.

†AUSTRIA	022-903-011	†HUNGARY	00*-36-0111
BAHRAIN	800-001	†ITALY	172-1011
†BELGIUM	11-0010	LIBERIA	797-797
CZECHOSLOWAKIA	00-420-00101	LUXEMBOURG	0-800-0111
†DENMARK	8001-0010	†NETHERLANDS	06*-022-9111
†EGYPT*	02-356-0200	†NORWAY	050-12-011
†FINLAND	9800-100-10	†SWEDEN	020-795-611
†FRANCE	19*-0011	†SWITZERLAND	046-05-0011
†GAMBIA	001-199-220-0010	†TURKEY	9*3-8001-2277
GERMANY²	0130-0010	U.K.	0800-89-0011
†GREECE	00-800-1311	ZIMBABWE	110-899

For additional USADirect access numbers or information about the service, call us collect at 412-553-7658. When in the U.S., call 1 800 874-4000 Ext. 416 for your free USADirect information card.
*await second dial tone.
†Public phones require coin or card
¹In Cairo dial 356-0200
²Available in the western portion of Germany.
©1991 AT&T
AT&T The right choice.

The Deceptive Simplicity of Madeleine Vionnet

International Herald Tribune

PARIS — In fevered times a French publisher, Editions du Regard, has brought out in its great designer series a handsome and costly book on perhaps the greatest of them all, and certainly the calmest and least conspicuous, Madeleine Vionnet.

Vionnet opened her first couture house on the Rue de Rivoli in 1912 and 10 years later moved to

MARY BLUME

splendid premises at 50 Avenue Montaigne where she remained until closing down just as war started in 1939. She lived on until 1975, failing by one year to celebrate her centenary. When her goddaughter and namesake, the writer Madeleine Chapsal, had asked if she would be happy to reach 100, her reply was succinct and precise. "Relatively," she said. "At 100 one isn't really happy about anything."

A sturdy workhorse in a peacock world, Vionnet went into history as the inventor of the bias cut. In fact, says Jacqueline Demornex, author of the new book, fabric was already cut on the diagonal for collars and the tips of sleeves but it was Vionnet who thought of extending the use of the bias cut so that dresses fell and clung with flattering craft: the fashion world's equivalent of inventing the wheel. "Everything Vionnet created had a cling or a flow and women dressed by her were like moving sculpture," Cecil Beaton wrote.

The cliché deceptively simple might have been invented for Vionnet. The simplicity was evident; its deceptiveness became only too clear when clients took their dresses home and tried to put them on by themselves: how exactly did one wear the belt, where precisely was the floating panel to go?

Later, museum curators would wonder how to display their limp but precious Vionnets, searching in vain for such clues as seams (since neither the human body nor a piece of fruit had seams, why should a dress, Vionnet had said). One of the book's best sections shows 12 photographs of Azzedine Alaïa solving the mystery of a handful of crepe which by picture 12 is a beautifully draped evening dress. Alaïa, like Christian Lacroix and Issey Miyake, is a Vionnet fan.

Vionnet was raised in a Paris suburb by her father and hoped to become a teacher until a neighbor pointed out that, even with scholarships which she was bright enough to win, she would be a financial burden until her 20s and so it would be better if she became a dressmaker's apprentice. She was 11 years old.

"I used to regret the choice and I wondered what I could have been had I developed my brain instead of my hands," she told a very green and young journalist mad about fashion history in the mid 1960s. "But then I thought of all the things I couldn't have created had I become a teacher and I started to love my hands for the joy they have given me." Even in her late 80s, her hands were supple and strong, her fingernails a bright red.

She married at 18, divorced, and went to London to work for Kate Reilly, who made fusty court dresses, and where she learned more about management than couture. Back in Paris, she went to the leading houses of the day, Callot Soeurs and Jacques Doucet.

Doucet was modern in his taste for furniture and painting but was not about to upset tradition in his house, which made tightly-waisted and heavily-decorated dresses for princesses, courtesans, and rich Americans (Lily Bart, in Edith Wharton's "The House of Mirth," regrets that she cannot afford to dress at Doucet). Vionnet's more simple inventions were cast aside by the vendeuses.

Still, it was at Doucet that Vionnet perfected the bias cut — "I wanted it and found it. It seemed natural," she said many years later — and won sufficient following to open her own house. She also claimed to have liberated women from the corset although credit is usually given to Paul Poiret, who had no interest in freeing women from fashion's dictates. Vionnet, on the other hand, admired Isadora Duncan and shared the dancer's romantic hellenism, using a woman in a chiton as her logo.

Her judgment of other designers could be severe. She said Poiret was a designer of costumes, not dresses. She called Chanel "the milliner" (Chanel called her "the sorceress"). The madcap Schiaparelli was "the Italian." She was an admirer and friend of Balenciaga and found Dior pretty but inconsequential. Dior said of her, "No one has ever carried the art of dressmaking further. With her scissors she transformed fashion."

White satin gown with cape-like sleeves, designed in 1931.

She showed her clothes on haughty models daily at 2:30 (the others, following a tradition established by Worth, showed at 3). Remembering her own ghastly apprenticeship, she gave her staff of nearly 1,000 exceptional working conditions — her 28 ateliers were airy and well-lighted, with chairs instead of stools — and free medical and dental care. To celebrate her 50 years in couture, she gave each employee a national lottery ticket. None of them won.

Vionnet worked locked in her office and neither greeted clients (just as well, she was likely to send away those whose bodies or manners did not meet her standards) nor socialized. "She wasn't like Schiaparelli, flitting here and there," said Thérèse Bonney, the American who took a famous photograph of Vionnet working behind the rosewood doll, 80 centimeters tall, on which she draped her designs.

She never sketched. "Sketching is all wrong," she said late in life. "It shows no feeling for material. Designers today all sketch. They are decorators with a feeling for color and fantasy, perhaps, but they are not true designers."

Vionnet was neither a colorist nor a fantasist. Her dresses had a vestal quality and also a seductiveness that came from her love of the female form. Her favorite clients, she told Bruce Chatwin at the age of 96, were Argentinians "with their undulating buttocks of carnivores."

Vionnet did not think people became well-dressed simply by buying couture clothes any more than they become art collectors by signing huge checks. Her own taste was for a sumptuous simplicity: her perfumes were beautifully packaged but were simply called A, B, C and D. The sheets on her bed were pale green crepe de chine, Madeleine Chapsal says, and she fancied fine cars — a Bentley, a Delahaye, highly polished, sometimes convertible, with a vicuna throw on the pale leather seats.

In 1923 she was married for the second time, to a Russian with a roving eye who was 18 years her junior. She set him up as a shoe designer and by the time they divorced in 1943 she had learned to read Russian. Her only child, a daughter from her first marriage, had died at the age of two.

After she retired she taught the bias cut to fledgling designers and gave her invaluable archive to a costume museum (it included police lineup-like photographs of each design intended, like the thumbprint she put inside her dresses, to foil counterfeiters). She went to the collections and, as the years went by, confined to her house in Auteuil, she received visitors with the distanced kindliness of the fine schoolteacher she might have become, her conversation filled with entertaining insights — "when you see a picture called Portrait of the Artist's Mother it's almost always good" — and with cool assessments of her own position. "I have passed into history," she said.

Her house was spare and elegant in between-the-wars style, with parchment walls in the salon and a painting of Vionnet by Jean Dunand in which she looked like a society hostess. She hated the portrait and preferred to sit in a room with two walls lined in photographs.

There were pictures of Chaliapin, of one of the Callot sisters, of a favorite model, of the Parthenon, of a first assistant named Madame Petit ("I thank her every time I pass by") and of her beloved father, with whom she used to engage in posthumous conversation.

"Sometimes when I climbed all these stairs I would get tired and sit on the landing and feel sad and wonder what had become of me. Then I heard my f... I really did hea... ma fille, tu n'as rien.' Then his voice became ironic: 'You are just 40 years too old, that's all.'

"I thought it over and said no. Then I went to the bedroom where his portrait hangs and I said, 'No, you are wrong. I am not 40 years too old in the head.' He hasn't spoken to me since."

LANGUAGE

Running an Endgame

By William Safire

WASHINGTON — "It's the beginning of the endgame," said William Quandt, one of the phalanx of former diplomatic officials, now in think tanks, who come crashing through television screens at each development in the Middle East. He was reacting to an announcement on the Baghdad radio that Iraq would consider withdrawal from Kuwait if a series of conditions were met.

That's because the catch phrase was what the Phrasedick Squad of the etymological police admires as a double historical allusion with an extended word backflip. The base was in the French statesman Charles Maurice de Talleyrand-Périgord's assessment of the battle of Borodino, in 1812, when Russian forces under General Mikhail Kutuzov stopped Napoleon's army near Moscow: "It is the beginning of the end." ("Voilà le commencement de la fin.")

That judgment was picked up and given a memorable twist by Winston Churchill in November 1942, after British forces under General Bernard Montgomery defeated the German Field Marshal Erwin Rommel's Afrika Korps at El Alamein in Egypt. "Now this is not the end," said Churchill, alluding to the Talleyrand judgment. "It is not even the beginning of the end. But it is, perhaps, the end of the beginning."

Quandt combined those allusions and added his substitution of an extended term for the word *end*: the *endgame*. That's a chess term coined in 1884 by Bernard Horwitz: "The real end game consists of a position where the method can be analytically demonstrated by which the slightly superior force can win." An endgame is the final stage, often after queens have been exchanged and many other pieces have been knocked off the board; one player is trying for a checkmate, and the weaker opponent is trying for a stalemate.

The two words have fused as the chess metaphor has been extended; in 1964, the Russian-born novelist Vladimir Nabokov wrote, "We'll simply take the *endgame* position at the point it was interrupted today."

I do not often *err* in the pronunciation of *salmon*.

"How come people seem to now be saying *air* when I say *er*?" asks Alexandra Moffat of Orford, New Hampshire. And Marlene Kuntz of Baltimore adds, "What about the pronouncing of the *l* in *salmon*?"

The *l* in *salmon* should be silent. Why, if the most likely source is the Latin *salire*, "to leap," which pronounces the *l*? Because that's the way it's been since the days of Robert Nares, a lexicographer, in 1784. The three things to remember about *salmon* are: they leap waterfalls upstream to spawn, they are delicious when smoked as *saumon fumé*, and their name contains a silent *l*.

Pressure to pronounce the *l* comes from two sources. First is the pathogenic bacteria *salmonella*, cause of food poisoning. Pronounced with an *l* at both ends, that word is derived not from the fish but from the name of a veterinarian, Daniel Salmon, who apparently pronounced his name with the *l*. That brings us to the second source of pressure: the name *Solomon*, which may be a variation of *shalom*, Hebrew for "peace," or may be derived from *salma*, "strength," or *zalmon*, "ascent."

Names not only make news, but also influence pronunciation. The *l* is articulated in the name of the novelist Salman Rushdie, author of "The Satanic Verses," suggesting that we do the same with the name of the fish.

Resist. *Solomon*, *Salman* and *similar* names get the *l* pronounced, and *salmon*, the name of the fish so happy on a bagel with cream cheese, retains its silent *l*. Pass the *sammon*, Salman.

In his lively book on pronunciation, "There Is No Zoo in Zoology," Charles Harrington Elster writes: "*Air* for *err* is right up there in the competition for the Great Beastly Mispronunciation of All Time." However, among the sources now preferring *air* are the NBC Handbook of Pronunciation and Merriam-Webster's Ninth New Collegiate Dictionary. What to do? I prefer *ur*, same as the name of ... ent city in Iraq, because (1) it is closer to the first syllable of *error* than *ai*, and (2) I like to swim upstream. The majority of the population seems to be floating down with *air*, and in pronunciation more than grammar usage is king, so *air* for *err* is no mistake.

As for me, I do not often ur in the pronunciation of *sammon*.

New York Times Service

MOVING

1992 - NOW!
interdean
INTERNATIONAL MOVERS FOR A FREE ESTIMATE CALL
PARIS (1) 39569000
NICE COTE D'AZUR 93742121

MARTINI TECHNOTRANS - NICE / CANNES. Tel: 93.39.43.44. Overseas Moving - Storage - Packing - Air/Sea Shipping, Car/Baggage, Clearance.

ANNOUNCEMENTS

ALCOHOLICS ANONYMOUS English speaking meetings daily. Tel: PARIS 46 34 59 65 or ROME 678 0320.

BUSINESS OPPORTUNITIES

IRISH NON-RESIDENT COMPANIES £195
Ideal tax-avoidance vehicles: low profile, tax free & European. Suitable for trading, consultancy and other activities. For immediate service contact, Eilish Murphy, Sovereign Company Services, 3 Fitzwilliam Place, Dublin 2, Ireland Tel +353 1 618490 Fax 618493

INTERNATIONAL CLASSIFIED

BUSINESS OPPORTUNITIES

INTERNATIONAL OFFSHORE COMPANY INCORPORATIONS FROM US$150
Comprehensive professional services include nominees, Representative offices, Powers of attorney, telex, telephone Fax, mail forwarding worldwide. Island Resources National House, Santon, Isle of Man. Phone: (0624) 824555 Tlx 628352 Island G. Fax: (0624) 823949

BUSINESS OPPORTUNITIES

Instant Money Maker!
$1,000 cash per day plus WITH KEMA COLOR COMPUTER PORTRAITS that can be transferred on T-shirts, posters, mugs, buttons, etc. KEMA Color Computer Portraits is one of the hottest new businesses. Systems from $19,500 to $39,500 FOB. KEMA HANDELS GMBH Dept. HT5 P.O. Box 170340/6 Frankfurt, Germany. Tel: 069/747808 Fax: 069/752974. Telex: 412713

OFFSHORE

Companies for all purposes including banking and insurance. We offer 30 years professional experience worldwide. Brochure on request. ASTON CORPORATE MANAGEMENT 19, Peel Road, Douglas, Isle of Man. Tel: 0624 626591 Fax: 0624 625126

AMERICA WITH A DIFFERENCE makes available custom visits & business opportunities for persons interested in special themes, times & places. Contact is Mme Pascal, Tokey Travel, 28 ave Niel, 75017 Paris. Tel: (1) 44 40 20 00, Fax: 44 10 40 36. Cultural & language interpretation of American phenomena.

OFFSHORE BANK FOR SALE
Tax haven country. Class A license. No taxes or liabilities. Bearer shares. No disclosure requirements. Immediate transfer. US $10,000. Call (714)548-1856 Fax (714)723-0717

HONG KONG CORP., $415. Annual cost $398. SE Ltd. 701 35 Queen's Rd, HK. Tel:852-5233672 Fax: 852-8400217.

BUSINESS SERVICES

GIBRALTAR TRUST & COMPANIES. Full confidential and professional services. Goutaland Trust Co. Ltd, P.O. Box 629, Gibraltar. Tel: 350-79013. Fax 350-70101. Tlx 2110 G Trust GK.

LONDON ADDRESS BOND STREET. Mail, Phone, Fax, Telex, Conference room. Call 071-499-9192. Tx 262690.

OFFICE SERVICES

FULL SWISS OFFICE SERVICE LUGANO-AGNO AIRPORT
MS Multiservices SA
Tel: 41-91-59.45.26/59.47.57 Fax: 41/91-59.54.36

YOUR OFFICE IN SWITZERLAND. Elegant, fully equipped offices on the Lake of Zurich, 5 minutes from city center. Available for meetings, interviews, etc. Multilingual secretaries, phone, fax service, correspondence. Tel: +41-1-3920297. Fax: 3920205.

REAL ESTATE FOR SALE

FRENCH PROVINCES

CANNES EDEN
5 rams La Croisette, exceptional view on sea & islands, 300 sq.m. living space, sumptuous villa, living + 5 bedrooms, 4 baths, terraces. Guardians quarters. Pool & very beautiful sloping garden. As is: F7,800,000. Possibility of luxury renovations: F600,000 but not essential. Owner in Paris: 1-48.87.46.46

SWITZERLAND

LIVE IN SWITZERLAND
We show you how. Also apartments for foreigners SAMI S.A., Etraz 10, 1003 Lausanne Switzerland. Fax: 41 21 202370

REAL ESTATE TO RENT/SHARE

GREAT BRITAIN

KNIGHTSBRIDGE £49/night serviced luxury flats beside Harrods. From £28 in Kensington. Oxbridge Apartments Tel: (71) 835-1611 Fax: (71) 373-0036.

REAL ESTATE TO RENT/SHARE

HOLLAND

AMSTERDAM HOUSING
(Semi) furnished villas - houses - flats in and around Amsterdam. Tel: +31 20 6717266 or 6715501. Fax: +31 20 6715986. Singerbeekstraat 29, 1078 BH Amsterdam

MONACO

PRINCIPALITY OF MONACO
BEAUTIFUL 3/4 ROOM APARTMENT
For rent, composed of double living room, 2 bedrooms, 2 bathrooms, fully equipped kitchen with terrace, cellar and parking space.
For further details please contact:
AGEDI
E.R.L. Residential
7 and 9, Bd des Moulins
MC 98000 MONACO
Tel: (33) 93.50.66.00. Telex 479417 MC Fax: (33) 93.50.19.42.

PARIS AREA FURNISHED

For a day, a week or more Rent a fully furnished and equipped flat with all traditional hotel services. Rent at the best town locations. Paris, New York, Brussels, French Riviera. For one, two or five room flat. Any further information: FLATOTEL COENSON 14 rue du Theatre 75015 Paris Tel: (1) 45 75 62 20

74 CHAMPS ELYSEES
LE CLARIDGE
FOR 1 WEEK OR MORE high class studio, 2 or 3-room apartments, FULLY EQUIPPED IMMEDIATE RESERVATIONS Tel: (1) 43 59 67 97

AT HOME IN PARIS
3 MONTHS TO 3 YEARS
apartments for rent furnished or not
PARIS PROMO
Real Estate Agent - Property Manager 25 Ave Hoche, 75008 Paris. (1) 45632560

INTER URBIS
UNFURNISHED/FURNISHED RENTALS FLATS & HOUSES FOR SALE 31 rue de Monceau, Paris 8th. Tel: (1) 45 63 17 77

AGENCE CHAMPS ELYSEES
Offers apartments in residential areas from 3 months or more. Tel: (1) 42 25 32 25 Fax: (1) 45.63.37.09

81 AVENUE FOCH
LUXURIOUS STUDIOS
Phone, color TV, kitchen, short term lease. No agency fee. F5,900 monthly. To visit call (1) 43.59.66.72

RESIDENCE CITY
THE VERY BEST RENTALS
Phone Paris (1) 45 27 12 19

8th, MONTAIGNE (near hotel Plaza) very elegant living + dining + 1 bedroom, fireplace, balcony, fully equipped & furnished. F8,500 till June, F11,000 for longer period. Tel: (1) 47 23 04 84

NEAR FOCH
Exceptional. Luxuriously decorated, living, bedroom, small terrace, 6th floor, short term. Tel: (1) 47.20.61.67.

EXCLUSIVE FURNISHED RENTALS
First in quality and service
Tel: 1-47 53 86 38. Fax: 1-45 51 75 77.

PARIS BIENVENUE. Furnished studios & apartments 1 WEEK TO 2 YEARS in Central Paris. Chauffeur available. Tel: (1) 47 53 80 81. Fax: 47 53 72 99

AVAILABLE UNTIL 9/91 Small quiet, renovated duplex 14th. Modern appliances, 2 baths. 5,500 francs/month. Carter 45351440 office hours.

REAL ESTATE TO RENT/SHARE

1st TUILERIES VENDOME 50 sq.m., 4th floor, lovely living + 1 bedroom, fireplace, beams, very well furnished, fully equipped. F6,500. 1-4723 0484

7th, LEFT BANK, near Tuileries. Nice, very quiet, 50 sq.m. apartment, fireplace, bright. F6,500. Tel 1-4070 0564

15th, STUDETTE, high class building, central heating, furnished. Short and long term. F3,000. Tel: 1-46.05.43.82.

PLACE DES VOSGES. Owner, studio, all comforts, well equipped. 1 year. F5,000. Tel: (1) 42 72 42 52.

PARIS AREA UNFURNISHED

Embassy Service
8 Ave. de Messine
75008 Paris
YOUR REAL ESTATE AGENT IN PARIS
(1)-45 62 30 00
FAX (1)-42.89.21.54

EXECUTIVE RELOCATIONS helps you find your home in Paris. Save your time, get best conditions. 3 rue Berryer, 75008 Paris. Tel (1) 40740002

ESPLANADE DES INVALIDES. By owner, 110 sq.m. apartment, class, newly redone. F12,500 + charges. Tel: (1) 45 44 13 10.

AVE FOCH TOWNHOUSE to rent, 228 squ., 6-year professional lease. Tel: Paris (1) 45.26.21.62.

USA

WASH DC, half furnished, 2 bedrooms, 2 baths + pool etc. Low rent. Close to shops & bus. 1-7-15 months or +. Tel: France, Nantes (33) 40.47.84.11.

EMPLOYMENT

EXECUTIVES AVAILABLE

USSR BUSINESS, AMERICAN, 31, 8 years trade/training experience. Excellent contacts. Fluent Russian also French, German. Seeks challenging position. Will relocate. Tel Mr Hoffman, Ireland (1)802984 Fax (1)843813

GENERAL POSITIONS WANTED

VERY ATTRACTIVE FRENCH LADY, 34, fluent English and Spanish, BA French literature, experience int'l PR, refined with warm and pleasant personality, reliable, discreet. Free to travel or relocate. Seeks position as personal assistant or travel companion to very high level executive. Reply Box 2098, IHT, 92521 Neuilly Cdx, France.

SECRETARIAL POSITIONS AVAILABLE

RECHERCHE SECRETAIRE bilingue francais/anglais, 18/25 ans, langue maternelle francais - Tres bonne presentation requise. Grande disponibilite pour suivre directeurs et assistants du president dans leurs deplacements. Tel: Paris (1) 47 20 39 64.

EDUCATIONAL POSITIONS AVAILABLE

TEACHERS, AMERICAN OR ENGLISH, bilingual, experienced, full time. Valid working papers. Tel: Cybele Langue at Paris (1) 4289.18.26 (1 - 6pm).

DOMESTIC POSITIONS AVAILABLE

CALIFORNIA PROFESSIONAL couple seeks experienced grandmother or nanny to care for 18 month old girl in our home. We're looking for someone to be part of our family, long term. Private live-in quarters. Must have good references & be a non-smoker. 916-836-0806, PO Box 217, Graeagle, Ca. 96103 USA.

AUTOMOBILES

PORSCHE CARRERA 4, 1989, RED, 9,500 original miles, factory warranty. For immediate sale. FF 400,000. Please fax to U.S.A. (1) 401 847 8564 or France (33) 92 94 05 20.

AUTOS TAX FREE

TRANSCO S.A. In our 18,000 sq.m. premises, we keep a stock of more than 200 brand new cars of most makes and models, competitively priced. We provide: sales - insurances - registration - shipping. Ask for our free colour catalogue. TRANSCO S.A. - 95, Noorderlaan - 2030 Antwerp - Belgium. Tel: 03/542.62.40. Tlx 35207 TRANSB - Fax: 03/542.58.97.

TRASCO BREMEN. Tax free new and used Audi, BMW, Mercedes, Porsche, Volkswagen, Volvo. Steindamm 38, 2820 Bremen 77, Germany. Tlx 246624, Fax: (0)421/630205. Tel: (0)421/633044.

TRASCO BREMEN Mercedes + Audi Armored cars & stretched limousines from stock. Steindamm 38, D-2820 Bremen 77 Germany. Tlx 246624. Fax: (0)421/630205. Tel: (0)421/633044.

AUTO SHIPPING

TRANSCAR 17 av de Friedland, 75008 Paris. (1) 4225 6444. Nice 9321 3550. Antwerp 233 9985. Cannes 9339 4344

LEGAL SERVICES

DIVORCE BY MAIL - no travel, very quick. Legal Referral Service, Karlsruhstrasse 120, 6900 Heidelberg, Germany, Tel: 49 211 714950

1ST OR BUSINESS CLASS ONLY Frequent Travellers to Orient/Australia/Africa/North & South America. Save up to 50%. No coupons, no restrictions. Imperial Canada 514-341-7227

WORLDWIDE scheduled departure at the lowest ever discount economy airfare. Credit cards possible. Tel: Paris (1) 42 89 10 81 Fax: 42 56 25 82

LOW COST FLIGHTS

ACCESS VOYAGES

	One Way	Round Trip
New York	F1100	F2200
Los Angeles	F1970	F3935
Miami	F1695	F3300
Washington	1200	F2400
Montreal	F1140	F1980
Rio de Janeiro	F3110	F5775
Australia	F5095	F8360
Japan	F4240	F7590
London	F495	F610

and more destinations ...
Discount on 1st & business class
Rates subject to modifications
Restrictions may apply
Tel: (1) 40.13.02.02 & 42.21.46.94
Fax 45 08 83 35
6 rue Pierre Lescot, 75001 Paris
Metro - RER Chatelet Les Halles
(Lic. 1.75.111) and also
ACCESS IN LYONS
Tour Credit Lyonnais, 129 rue Servient 69003 Lyons. Tel: (16) 78 63 67 77
Book now by phone with credit card

LOW COST FLIGHTS

DAILY FLIGHTS AT LOWEST FARE any major north American int'l air. Tel: Paris (33-1) 47 04 67 51.

Page 10 FOR MORE REAL ESTATE

International Herald Tribune ads work

U.S. IMMIGRATION MADE EASY
The Insiders' Guide
Secrets of Successful Immigration Including Never Before Available Opportunities from the NEW IMMIGRATION ACT of 1990!

★HIGHLY RECOMMENDED★
Selected as one of the BEST BOOKS of 1990 by LIBRARY JOURNAL
"Highly recommended ... Instructive and explanatory" U.S. DEPARTMENT OF STATE
"Definitely ranks among the best" UNIVERSITY OF CALIFORNIA
"Saves $500 to $8,000 in legal fees" ASIAN WEEK
"User-friendly, doesn't intimidate" INDIA WORLDWIDE
"Well worth the investment—less than an hour's consultation with an attorney" IRISH ECHO

★YOU CAN WIN THE IMMIGRATION GAME★
with this Easy, Step by Step System—Find out how to:
★Qualify for All Types of Green Cards and other Visas, Even if You Never Did Before: Employees, Professionals, Researchers, Students, Relatives, Visitors, Refugees and More...
★Get U.S. Citizenship
★Take Advantage of Green Card "Lotteries"
★Fill Out Forms With Winning Answers. Sample Forms Included.
★Stop Wasting Years Without Solutions to Immigration Problems
636 8½"x11" pages- with Complete Lists and Locations of All U.S. Consulates and INS Offices

Get Top Professional Help Without Paying a Fortune
Written by Recognized Expert Immigration Attorneys Martha S. Siegel and Laurence A. Canter

SPECIAL
REGULAR PRICE $79.
Now Only $71 U.S. Plus Shipping
(French francs 370.)

ORDER NOW BY MAIL OR FAX
FAX: (331) 46-37-52-12
Published by Sheridan Chandler Company
Available through the
INTERNATIONAL HERALD TRIBUNE
181 avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France

★ Payment by Credit Card Only ★
Ship ___ copies of U.S. Immigration Made Easy @ $71. U.S.D. (French francs 370.) ea., plus shipping: $22. (FF 115.) Europe & Latin America, $8. (FF 45.) U.S. & Canada, $13. (FF 70.) Mexico & Caribbean, $28. (FF 150.) elsewhere.
Charge to: ☐Visa ☐Mastercard ☐American Express ☐Diner's Club ☐Access ☐Eurocard
Card No. ____ Exp. Date ____
Signature ____
Name ____
Address ____ Telephone ____
Country ____

Shouldn't you be reading commentary like this—regularly?

Make sure you get your IHT every day. Subscribe now and save up to 50%.

International Herald Tribune

Country/Currency		12 months (+52 issues)	ONE-YEAR SAVINGS	6 months (+26 issues)
Austria	A. Sch.	5,800	4,000	2,800
— hand delivery Vienna	A. Sch.	5,400	3,700	3,000
Belgium	BFr	11,000	9,020	6,000
Denmark	D.Kr.	3,100	1,268	1,700
Finland	F.M.	2,000	1,640	1,100
France	F.F.	1,800	1,494	980
Germany (mail)	D.M.	600	492	330
— *hand delivery	D.M.	810	282	416
Great Britain	£	150	122	82
Greece (mail)	Dr.	40,000	32,800	22,000
— hand delivery Athens	Dr.	50,000	22,800	28,000
Ireland	£Irl.	155	173	85
Italy	Lire	450,000	350,800	250,000
Luxembourg	LFr	11,000	9,020	6,000
Netherlands	Fl.	600	503	340
Norway (airmail)	N.Kr.	2,500	1,068	1,400
— **hand delivery	N.Kr.	3,000	1,368	1,650
Portugal	Esc.	51,000	34,520	17,580
Spain (mail)	Ptas.	35,000	28,700	19,200
— ***hand deliv. Barcelona Bilbao, Seville, Valencia	Ptas.	38,000	25,700	20,900
— ***hand deliv. Madrid	Ptas.	54,600	—	27,300
Sweden (airmail)	S.Kr.	2,200	1,804	1,210
— **hand delivery	S.Kr.	2,800	1,304	1,540
Switzerland	S.Fr.	500	519	275
Rest of Europe, N. Africa, former French Africa, Middle East	$	580	Varies by country	275
Rest of Africa, Gulf States, Asia	$	650		355
Central/Latin America	$	600		330

Yes, I want to start receiving the IHT.
This is the subscription term I prefer (check appropriate boxes):
☐ 12 Months (364 issues in all with 52 bonus issues).
☐ 6 Months (182 issues in all with 26 bonus issues).
☐ My check is enclosed (payable to the International Herald Tribune).
☐ Please charge my: ☐ American Express ☐ VISA ☐ Access ☐ Diners Club ☐ Eurocard ☐ MasterCard
CARD EXPIRY DATE ____ SIGNATURE ____
CARD ACCT. NO. ____
NAME ____
ADDRESS ____
CITY/CODE ____ COUNTRY ____ 4-3-91
TEL/TELEX/FAX ____
Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.
This offer expires March 31, 1991, and is available to new subscribers only.
For subscription information in the U.S., call toll-free 1-800-882-2884.
* For information concerning special hand-delivery in major German cities call IHT Germany at: (069) 69.48.92 or fax (069) 69.48.94. Rates do not include free issues.
** At these rates, you can get morning hand delivery in the following cities: Oslo, Stavanger, Stockholm, Goteborg and Malmo.
*** At these rates, hand delivery is available by morning in Barcelona, the same day in Seville and the next day in Bilbao and Valencia. For Madrid, hand-delivery is available by morning, but without the free issues.

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.